



JICA 2013

JAPAN INTERNATIONAL COOPERATION AGENCY
ANNUAL REPORT



Contribution to MDGs

Millennium Development Goals (MDGs), including reduction of the number of people living in extreme poverty by half by 2015, are shared goals of the international community. The following are the major contributions JICA has made up until 2012, three years prior to the target date of 2015.

(For detail on JICA's MDG efforts, please refer page 62 to 63)

8,800 schools

Goal 2: Achieve universal primary education

Built over 8,800 primary and secondary schools in 47 countries (cumulative total)
Held training course for over 200,000 teachers (cumulative total)

660 million times

Goal 4: Reduce child mortality

Supplied more than 660 million vaccinations and cold chain equipment (i.e. refrigerators) for its distribution (from 2000 to 2011)

64 countries

Goal 5: Improve maternal health

Executed cooperation targeted for continuous improvement of mother and child health care at 64 different countries (from 2000 to 2011)

3.05 million ha.

Goal 7: Ensure environmental sustainability

Planted 3.05 million hectares for reforestation (from 2000 to 2011)

JICA at a Glance

JICA Activities in Numbers

Worldwide Contribution to Infrastructure Sector

Building infrastructure is essential for poverty reduction and sustainable growth. JICA supports construction of facilities through financial cooperation including ODA loans and grant aids.

Airports

26
countries

Number of countries for which JICA has provided financial cooperation for the improvement of an airport (including ongoing projects). 26 countries.

Subways and Urban Railways

18
cities

Number of cities for which JICA has provided financial cooperation for the improvement of a subway or urban railway (including ongoing projects). 18 cities in 13 countries.

Contribution to Africa

In the past, the African continent was said to be the most behind in development. In 1993, at a time when the international community's interest in Africa was waning, Japan held the first Tokyo International Conference on African Development (TICAD). Since then, Japan has been taking concrete actions for the development of Africa. In June 2013, Japan held TICAD V, marking the conference's twentieth anniversary.

In recent years, Africa has continued on a path of rapid development, and today is called the "continent of hope." The following are the results of the main activities carried out by JICA and the Government of Japan during the five-year period between the fourth and fifth TICAD meetings (2008 to 2012).

(For greater detail on JICA's contributions to Africa, please see pages 50 to 55)

Total ODA

Result: **An average of \$1,815 million annually** (provisional figure)

Goal: Doubling total annual ODA contributions to Africa by 2012 (to \$1,800 million)

Infrastructure

Result: **\$4,429 million**

Goal: Provide a maximum of \$4 billion in ODA Loans for sectors such as infrastructure and agriculture

Education

Result: **1,242 schools, 6,735 classrooms** (provisional figure)

Goal: Build 1,000 schools and 5,500 classrooms for approximately 400,000 children

Result: **792,925 people**

Goal: Training 100,000 elementary and secondary mathematics and science teachers through the Strengthening Mathematics and Science Education (SMASE) projects.

Healthcare

Result: **3,950 sites**

(Note: During four-year period from 2008 to 2011)

Goal: Construction and restoration of 1,000 hospitals and health centers

Result: **220,950 people**

(Note: During four-year period from 2008 to 2011)

Goal: Training of 100,000 medical and healthcare professionals

Water and Sanitation

Result: **10,640,000 people** (provisional figure)

Goal: Supply safe drinking water to 6.5 million people

Result: **13,369 people**

(Note: During four-year period from 2008 to 2011)

Goal: Human resource development of 5,000 water managers/users

Private Sector

Result: **90 people to 2,353 people**

(Note: During four-year period from 2008 to 2011)

Goal: Expand scale of training courses in trade sector by 10 times

Result: **1,962 people**

(Note: During four-year period from 2008 to 2011)

Goal: Expand scale of private sector related training courses to 1,500 people

HIGHLIGHTS 2012



In accordance with international guidelines, Japan Disaster Relief Team maintains preparation and organization to execute their full capacity at oversea search and rescue mission. (Photograph is scene from general training at Nov. 2012)

Dissemination of Experiences in Disaster Risk Reduction, Emergency Relief, Restoration and Reconstruction

JICA is emphasizing the importance of taking a disaster risk reduction perspective for all sectors incorporating both international communities' "mainstreaming disaster risk reduction" trend and from our own experience with the Great East Japan Earthquake and 2011 Flooding in Thailand. On July 2012, "World Ministerial Conference on Disaster Reduction in Tohoku (Sendai)" was held at which the importance of disaster risk reduction was reaffirmed by the ministers and governments around the world. Similarly, after the Flooding in Thailand, JICA supported the formulation of master plan for flood control measures. In January 2013, JICA established "Stand-by Emergency Credit for Urgent Recovery" (SECURE) to address restoration needs of disaster struck countries. Also, the Japan Disaster Relief Team (JDR) – the unit responsible for emergency humanitarian assistance during major disaster – has celebrated its 30th anniversary. JICA will continue to support developing countries' disaster risk reduction, emergency relief, restoration and reconstruction with seamless aid.

Related Articles

Page 87, Page 116
JICA website → "News," Dealing More Effectively with Natural Disasters July 9, 2012

JICA Sends a Message to the World: IMF and the World Bank Group Annual Meetings

"The core of the global economy comes to Tokyo." In October 2012, it is estimated that as many as 20 thousand members of the global economic and development community gathered in Tokyo. At this major event, JICA jointly held a number of seminars with the World Bank and other institutions, at which JICA's President led discussions about solutions for the diverse global development issues being faced by the world. Through a dialogue with more than one hundred government ministers and principals of international and financial institutions, JICA's President as well as other executive board members exchanged opinions on cooperation programs and donor collaboration. Throughout the event, JICA's President strongly highlighted our endeavors and ideas to the domestic and the international community.

Related Articles

JICA website → "Press Releases," The IMF-World Bank Group Annual Meetings draws to a successful close, October 15, 2012



JICA President Akihiko Tanaka gives the keynote speech at the Program of Seminars "Can Government Policies Lead to Good Jobs for Development?" held during the Annual Meetings [Photo by Shinichi Kuno].



JICA Senior Vice President Hideaki Domichi shakes hands with MILF Chairman Al Haj Murad Ebrahim after the signing of a framework agreement for peace.

Further Assistance for Peace Consolidation in Conflict-Affected Areas in Mindanao

In October 2012, the peace panel of the government of the Philippines and the Moro Islamic Liberation Front (MILF) signed a framework agreement for peace, signifying an important step toward the end of the 40-year Mindanao conflict. Peace talks initiated by President Benigno Aquino III and Al Haj Murad Ebrahim, chairman of MILF had paved the way for the agreement. JICA has built a relationship of trust with both the government and the MILF sides through its dispatch of staff to the International Monitoring Team as well as its provision of assistance for capacity building and community development even before the peace agreement. Based on the groundwork laid by these experiences, JICA will extend assistances toward the establishment of a new autonomous government on the conflict-affected areas in Mindanao.

Related Articles

JICA website → "News," Significant Step toward Lasting Peace in the Conflict-Affected Mindanao, October 31, 2012

Key Topics from Fiscal 2012

Expanding Assistance to Myanmar: Delivering Fruits of the Reform to the People

Since March 2011, after the inauguration of the new administration, Myanmar has been undertaking political and economic reforms, and is also making efforts to join the international community. Comprehensive agreement was made toward resolving Myanmar's debt issue during "Japan-Myanmar Summit" on April 2012, leading to the restart of ODA Loans as "Social and Economic Development Support Program" for the first time in 26 years. JICA plans to assist the country in conducting socioeconomic reforms to enable Myanmar's citizens to enjoy the benefits from the change.



Restart of yen credit for socioeconomic reforms in Myanmar

Related Articles

Page 25

JICA website → "Press Releases," Signing of Japanese ODA Loan Agreement with the Government of the Republic of the Union of Myanmar, January 30, 2013



Viet Nam loan signing ceremony held in Kobe, Japan.

First Infrastructure Private Sector Investment Finance since the Resumption of the Program

On January, JICA signed a loan agreement for its first Infrastructure Private Sector Investment Finance (PSIF) project since the program was fully resumed. The project is to construct, operate, and maintain wastewater treatment systems for industrial parks and a water treatment plant in Viet Nam. Japanese and Vietnamese companies as well as a local public entity are cooperating on the project, which will utilize Japanese technology and management know how. These industrial parks are also expected to attract Japanese investments, especially SMEs, to Viet Nam.

Related Articles

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JICA website → "Press Releases," First Infrastructure Project Signed for Private Sector Investment Finance since Full Resumption of Program, January 30, 2013

ODA Loan Commitment Expanded to ¥1.2 trillion, Second Largest Ever

The ODA Loan commitment reached ¥1,222.9 billion in fiscal 2012, a 28.9% increase over the previous fiscal year and representing the second largest amount after fiscal 1996 (¥1,281.5 billion). In line with the Japanese government's policies including its "Infrastructure Export Strategy," JICA is proactively supporting infrastructure development in developing countries, notably in Asia, to provide a foundation for social and economic development.



Signing of ¥349.3 billion loan agreement to support sustained growth in India
[Photo by Shinichi Kuno]

Related Articles

Page 128 Supplement to the Annual Report → Pages 18-19



Produced by Kansai Construction Survey Co., Ltd., KUMONOS is an optical surveying instrument that can accurately measure cracks in bridges, tunnels and other structures from a distance (center of the photo). JICA is considering pursuing ODA projects that will prevent accidents from deterioration of social infrastructure and to promote the awareness of structural maintenance.

Assisting Overseas Deployment of SMEs using ODA

JICA is utilizing its wide network and know-how accumulated and built over many years of ODA cooperation to assist the overseas business deployment of Japanese SMEs. In fiscal 2012, JICA was commissioned by Japan's Minister of Foreign Affairs to conduct approximately 50 surveys (¥2.0 billion survey program) to identify overseas business development opportunities for Japanese SMEs. In fiscal 2013, JICA established two new divisions to strengthen its position in the sector and initiated projects to spread and demonstrate Japanese SMEs products and technologies. Utilizing the outstanding technologies and products of Japanese SMEs, JICA is contributing to promoting both the development of developing countries and revitalization of Japanese economy.

Related Articles

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Palestine: Improving Reproductive Health in Palestine with a Special Focus on Maternal and Child Health Project, Phase 2 [Photo by Kenshiro Imamura]

Feature: Interview with
JICA President Akihiko Tanaka
**Toward Meeting Global
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Cover photo: Helping with the harvest in Brazil [Photo by Hikaru Nagatake]

Back cover photo: Kindergarten where Japan Overseas Cooperation Volunteers (Kindergarten teachers) are working in Ethiopia [Photo by Atsushi Shibuya]

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Cooperation Modality

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Supplement to the Annual Report

*For statistics on program results, financial statements and financial conditions, please refer to the Supplement to the Annual Report.



[Photo by Shinichi Kuno]

Feature

Interview with JICA President Akihiko Tanaka

Toward Meeting Global Challenges

With globalization and deepening interdependence, the world is changing drastically. In the field of international cooperation as well, the global environment is seeing big changes, such as the rise of emerging nations and the problems of fragile states. These in turn are creating increasingly diverse and complex challenges not faced before.

With the vision of "Inclusive and Dynamic Development," JICA is putting its efforts into various types of cooperation, ranging from peace-building to sustainable economic and social development. Since JICA President Akihiko Tanaka took office in April 2012, he has been promoting international cooperation that revitalizes not only developing countries but Japan itself, while strengthening partnerships among stakeholders in Japan and overseas.

Japan International Cooperation Agency (JICA)
JICA President Akihiko Tanaka

田中明彦

Two characteristic groups of developing countries are emerging: middle income countries with rapid growth and fragile countries with a large degree of vulnerability.

Q1 Tell us about the environment surrounding the international community, and based on that, about trends in international cooperation and what forms of cooperation are needed.

Thinking now, some ten years into the 21st century, the environment surrounding international cooperation is completely different from 20 or 30 years ago.

A big cause is the ongoing dynamic economic growth of many developing countries. In particular, emerging nations like China, India and Brazil, and ASEAN members Indonesia and the Philippines, have shown remarkable economic growth. Their success demonstrates the results of international cooperation, including contributions from Japan and JICA.

On the other hand, there are still many fragile nations. As shown in the 2013 Human Development Report, though in most countries we can see an improvement in the Human Development Index, there are more than a few countries where it is proving difficult to reach the Millennium Development Goals (MDGs) by 2015.

Putting it all together, recently it has become apparent that two characteristic groups of developing countries are emerging: one group is middle-income countries with rapid growth and the other is fragile countries with a large degree of vulnerability. Present and future international cooperation must focus on both groups.

Q2 What kinds of measures are desirable for cooperation with each of the two groups?

For such middle-income countries, a new challenge is to avoid falling into the so-called middle-income trap. Of course it's true that with economic growth, the number of people in absolute poverty has decreased, and several targets of the MDGs are seeing improvements. However, there still are many people living on less than \$1.25 per day, and countries whose internal disparities are actually growing have begun to stand out. Those problems are causes for great concern as society as a whole develops. As put forth in JICA's vision, inclusive and dynamic development that benefits all citizens is necessary to produce high-quality growth in these countries.



Visiting a JICA-supported NGO operating a skills training center for women in Mindanao in the Philippines. JICA continues to assist the peace consolidation process.

When we solve common problems together, not only the partner country but Japanese society greatly benefits.

So we need new ways of thinking that transcend the conventional framework of international cooperation. Obviously, many middle-income countries still face developmental challenges common to other developing countries, but they have also come to share the same problems as developed countries. From that standpoint as well, we can say that international cooperation has become more complex.

On the other hand, fragile nations are in an even graver situation and have a lot of challenges that cannot be met with international cooperation alone. A lot of fragile countries are either in the middle of or recovering from an internal conflict. In order to end an internal conflict, comprehensive measures by the international community are needed, and if international cooperation does not move in step with peace-keeping operations, we cannot reach a fundamental solution.

And even in countries where a certain length of time has passed after conflict resolution, governance remains quite weak, so it is difficult even to establish order. That is the root cause of fragility and a big reason why we cannot see good progress on multiple issues such as poverty reduction, economic development, education and health.

What is difficult for international cooperation is that, since the root cause is the weakness of governance, simply providing funds or supplies does not have a major effect. If the government lacks the administrative capacity to draft and pass a budget, budget support will not lead to effective measures. That is why, in the process of peace-building, it will become even more critical to strengthen governance through international cooperation.



Visiting a "koban" (police box) of the São Paulo State Military Police in Brazil. With the cooperation of the Japan's National Police Agency, JICA has carried out the "Community Police of Public Security Project" and the "Project on Implementation of Community Policing Using the Koban System" in Brazil (President Tanaka is third from the left).

Q3 Given the need for this kind of evolution, what role is JICA trying to fill?

In response to international cooperation growing more complex, Japan or JICA can play a key role in the future by reinforcing cooperation in certain focus areas.

JICA extended large contributions to current middle-income countries when they were making the transition from a less developed stage. There was a certain period of time in the international community when infrastructure was not viewed as important in development cooperation, but JICA has been promoting infrastructure development all along. It is through this kind of continuous cooperation that the number of Asian and Latin American countries achieving striking economic growth has started to increase. These experiences and achievements are great assets for JICA's future activities.

A future theme for JICA will be how to provide cooperation to middle-income countries. It will be important to continue promoting economic growth through cooperation on infrastructure, as we have been doing, but we must also strengthen cooperation that helps those countries avoid the middle-income trap. In concrete terms, it will be necessary to tackle growing internal disparities, urban poverty, unemployment and future aging societies.

They are all challenges that lack easy solutions, and population aging is a big issue Japan itself must address. I definitely think it is pivotal for both Japan and partner countries to tackle challenges through mutual learning. Assistance to middle-income countries will help increase their per-capita incomes and create large markets that will also benefit Japan. I am firmly convinced that when we solve common problems together, not only the partner country but Japanese society greatly benefits.

Spreading this kind of mutual learning process to various countries throughout the world will also lead to the discovery of innovative solutions and great ideas. That is "invigorating assistance" that revitalizes both developing countries and Japan.

One concrete example is the SATREPS (Science and Technology Research Partnership for Sustainable Development) program JICA is deploying together with the Japan Science and Technology Agency (JST). In this program, research institutions in developing countries and Japan form partnerships and advance international joint research to meet global challenges. Through these partnerships, they try to gain new expertise, while training and building the capacity of personnel at developing

Based on JICA's experiences so far, the transition from humanitarian assistance to development assistance must be seamless.

countries' research institutions. This sort of international joint research on an equal footing is truly a new method not found in conventional international cooperation and one of the first innovations that originated in Japan. We expect this approach to bloom significantly in the future.



Meeting with Afghanistan's President, Hamid Karzai (right). JICA projects contribute to economic growth with job creation and the security of civilians in Afghanistan, which has experienced severe damage to its socioeconomic infrastructure from the conflict.

Q4 Please tell us about JICA's specific policies on cooperation to fragile nations.

Regarding our cooperation activities in fragile countries, JICA emphasizes human security and it provides peace-building programs or projects in various fields around the world. To effectively capitalize on the experience JICA has accumulated, it is necessary to analyze and systematize it.

It is also important to do this together with partner countries. Through projects that combine grants or ODA loans with technical cooperation, JICA has cooperated with relevant agencies of partner countries to build infrastructure such as bridges and roads. Not only is such a project useful for building infrastructure, the implementation process also contributes to strengthening institutions. JICA's cooperation is an effective method of ensuring human security and building governance capacity.

Moreover, JICA emphasizes cooperation to countries surrounded by or next to conflict-affected countries. JICA has provided cooperation to a wide range of host communities that accept refugees. In particular, in the case of conflict-affected countries that could relapse into conflict, it is important to prevent the flames of disputes and vulnerability from spreading out to neighboring countries. If we leverage the development effect in neighboring countries, we can expect them to become models and to have a large influence on conflict-affected countries as well.

Based on JICA's experiences so far, it is essential that the transition from humanitarian assistance to development assistance be seamless. However, cooperation to fragile nations may not necessarily show quick results in such difficult environments. We have to be patient and persistent. We may face disappointments. I think it necessary to introduce proper evaluation methods for cooperation in such difficult circumstances.



Attending the signing ceremony in Bangkok, Thailand for the Cooperative Framework (basic agreement paper) for the ASEAN University Network/Southeast Asia Engineering Education Development Network (AUN/SEED-Net) Project Phase 3 set to begin in March 2013. Forty-two representatives including government ministries and universities in the partner countries simultaneously affix their signatures (President Tanaka is third from the right in the front row).

For cooperation with those middle-income countries that have become high income countries, through cost-sharing, we will provide high quality training and dispatch experts according to their needs (Cost-sharing Technical Cooperation).

Q5 Is there anything JICA will particularly emphasize in its future activities?

JICA has provided international cooperation through people-to-people connectivity. Mutual learning with middle-income countries and projects carried out with fragile nations are true examples of this people-to-people connectivity.

I would like to further strengthen this kind of cooperation. For that, we must improve the quality of training courses conducted in Japan, and we would like to expand the Japan Overseas Cooperation Volunteers program. It is also important to promote public-private partnerships, to encourage participation from civil society, and to strengthen partnerships with other development institutions.

A new challenge is cooperation with those middle-income countries that have become high income countries. A nation that has attained high incomes still faces a variety of challenges. For such countries, we would like to make an effort to carry out cost-sharing technical cooperation.

When it comes to moving forward with international cooperation for developing countries, widely ranging from fragile states to middle-income and even high-income countries, there are few institutions that have the comprehensive capabilities of JICA or a network like JICA's that spans various areas inside Japan and around the globe. I would like JICA to play its role of fully utilizing the knowledge, know-how and experiences of Japanese society for the benefit of the international community.



President Tanaka listens to the views of a participant in a course at the Khartoum 2 Vocational Training Center, which aims to expand employment opportunities for the socially vulnerable such as women and people with disabilities.



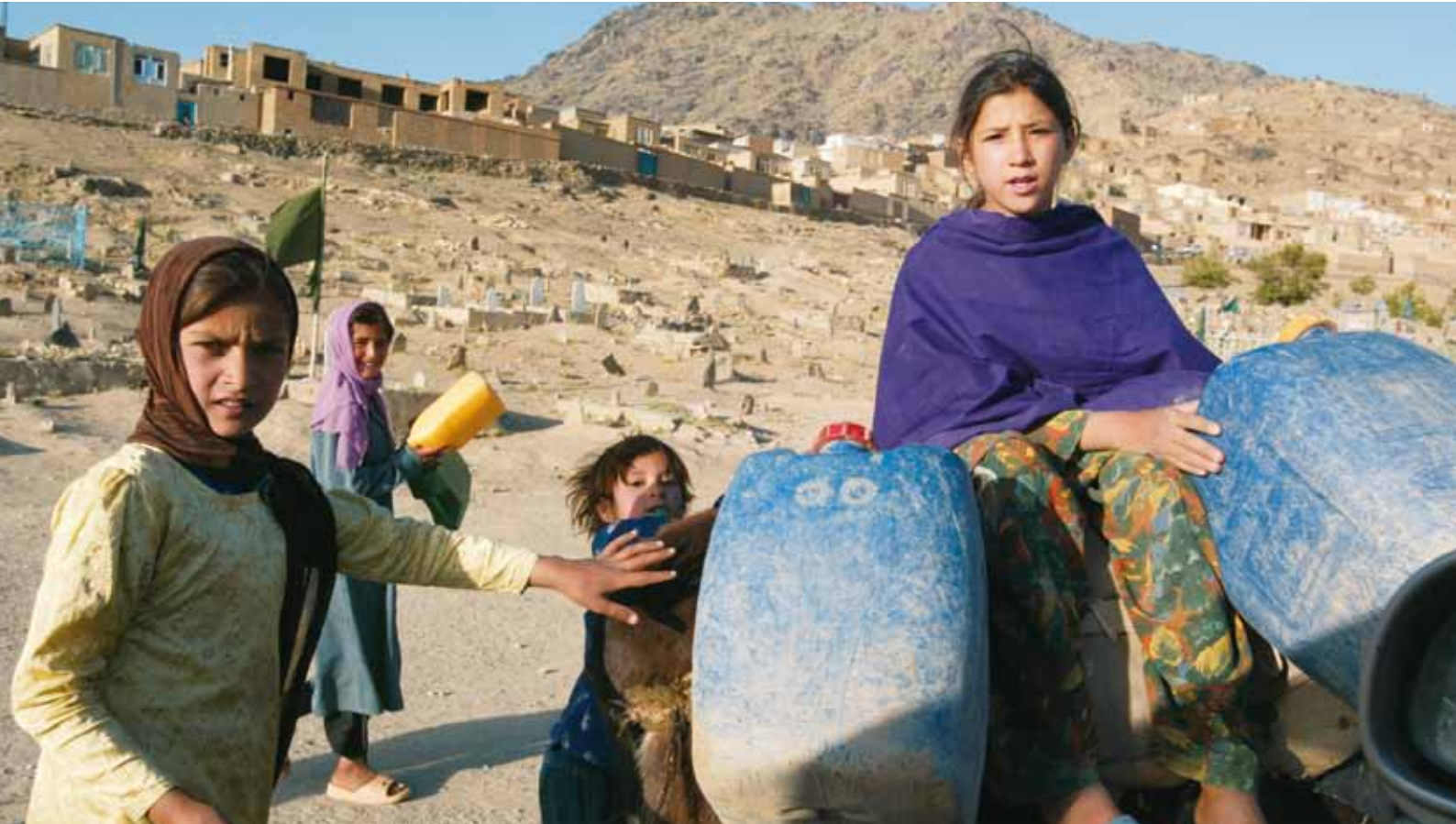
Talks with Thai Prime Minister Yingluck Shinawatra (right). The Prime Minister expressed her gratitude for JICA's flood assistance.

Q6 One and a half years have passed since you became the president of JICA. Please tell us about your achievements so far, things that have left an impression on you and your future aspirations.

One thing that deeply impressed me was that I could confirm the significance of JICA's peace-building efforts in the Mindanao peace process. It was when I visited the Philippines right after taking office. And I have also been impressed by the dynamic development of middle-income countries. For example, there is a map leaflet the JICA Thailand Office created to describe the projects JICA has supported in the Bangkok metropolitan area, and it was moving to me as a demonstration of how JICA has greatly contributed to the development of Bangkok into a global city.

In June 2013, the Fifth Tokyo International Conference on African Development (TICAD V) was held in Yokohama, and in advance of this event, I visited 11 African countries. At TICAD V, I met the leaders of many participating countries. From everyone I met, I received high praise for the efforts of Japan and JICA to strengthen relations between Japan and Africa, and I felt once again the great expectations for Japan and JICA to deepen international cooperation.

I would like JICA to meet with sincerity the large expectations of not only Asia and Africa, but also other regions such as Latin America, the Middle East and Oceania.



Afghanistan: Young girls collect water in Kabul suburb. [Photo by Sayad Jan Sabawoon]

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Japan's ODA

1 What is ODA?

Various organizations and groups, including governments, international organizations, non-governmental organizations (NGOs) and private companies, carry out economic cooperation to support socioeconomic development in developing countries. The financial and technical assistance that governments provide to developing countries as part of this economic cooperation are called Official Development Assistance (ODA).

2 Types of ODA

ODA is broadly classified into two types: bilateral aid and multilateral aid. Multilateral aid consists of financing and financial contributions to international organizations, while bilateral aid is provided in three forms: Technical Cooperation, Loan Aid and Grant Aid. In addition, other schemes of bilateral aid include the dispatch of volunteers.

3 JICA's Integrated Implementation of Assistance Schemes

In recent years, developed countries in Europe and North America have expanded ODA as a means of strengthening the efforts to address global issues such as climate change and poverty reduction. Furthermore, new donor countries including China and the Republic of Korea have emerged. Japan, conversely, has decreased its ODA budget as a result of its severe financial circumstances.

In view of this international situation as well as the flow of domestic administrative reforms, the Japanese government has undertaken reforms that strategize ODA policies and strengthen implementation systems with the objective of further raising the quality of its ODA. With the aim of integrating ODA implementation organizations as part of these reforms, Overseas Economic Cooperation Operations of the Japan Bank for International Cooperation (JBIC) and Grant Aid Operations of the Ministry of Foreign Affairs of Japan (MOFA) (excluding those

which MOFA continues to directly implement for the necessity of diplomatic policy) were transferred to JICA as of October 1, 2008, thereby creating a "New JICA." Through this integration, the three schemes of assistance have become organically linked under a single organization, which better enables JICA to provide effective and efficient assistance. The principal schemes of assistance are outlined below.

Bilateral Aid

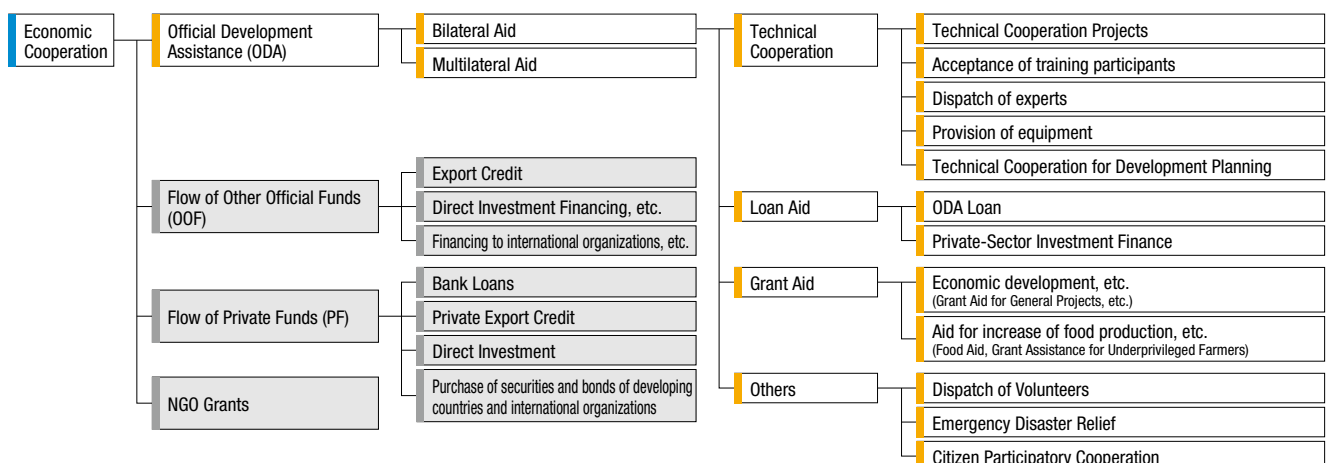
► Technical Cooperation

Technical Cooperation draws on Japan's technology, know-how and experience to nurture the human resources who will promote socioeconomic development in developing countries. Moreover, through collaboration with partner countries in jointly planning a cooperation plan suited to local situations, Technical Cooperation supports the development and improvement of technologies that are appropriate for the actual circumstances of these countries, while also contributing to raising their overall technology levels and setting up new institutional frameworks and organizations. These enable partner countries to develop problem-solving capacities and achieve economic growth. Technical Cooperation includes acceptance of training participants, dispatch of experts, provision of equipment and implementation of studies aimed at supporting policymaking and planning of public works projects (Technical Cooperation for Development Planning).

► Loan Aid

Loan Aid supports the efforts of developing countries to advance by providing these nations with the capital necessary for development under long-term and substantially lower interest rates than commercial rates. The primary types of Loan Aid are ODA Loans and Private-Sector Investment Finance. ODA Loans in particular enable the provision of finance in larger amounts compared with Technical Cooperation or Grant Aid, and therefore this form of aid has been well utilized for building

Table 1 Economic Cooperation and ODA



large-scale basic infrastructure in developing countries.

Unlike Technical Cooperation or Grant Aid, Loan Aid requires full repayment by the recipient country, which encourages the beneficiary country to focus closely on the importance and priority of projects and to make efforts to allocate and utilize the funds as efficiently as possible.

► Grant Aid

Grant Aid, which is an assistance method that provides necessary funds to promote socioeconomic development, is financial cooperation with developing countries with no obligation for repayment. Particularly in developing countries with low income levels, Grant Aid is broadly implemented for building hospitals, bridges and other socioeconomic infrastructure, as well as for promoting education, HIV/AIDS programs, children's healthcare and environmental activities, which directly support the improvement of living standards.

Grant Aid is divided into the following categories according to its content: Grant Aid for General Projects; Non-Project Grant Aid; Grant Aid for Grassroots Human Security Projects; Grant Assistance for Japanese NGO Projects; Grant Aid for Human Resource Development (Scholarship); Grant Aid for Cooperation

on Counter-Terrorism and Security Enhancement; Grant Aid for Disaster Prevention and Reconstruction; Grant Aid for Community Empowerment; Grant Aid for Fisheries; Cultural Grant Assistance; Emergency Grant Aid; Food Aid; Grant Aid for Underprivileged Farmers; Grant Aid for Environment and Climate Change; Grant Aid for Poverty Reduction Strategies; and Grant Aid for Conflict Prevention and Peacebuilding (☞ for portion implemented by JICA, see page 130).

Providing Financing and Contributions to International Organizations through Multilateral Aid

Multilateral aid is an indirect method of providing assistance to developing countries by providing financing or donating funds to international organizations. Funds are contributed to the various bodies of the United Nations, including the United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF), while financing is provided to multilateral development banks (MDBs) such as the World Bank, the International Development Association (IDA, also known as the Second World Bank) and the Asian Development Bank (ADB).

Table 2 Japan's ODA in Calendar Year 2012 (According to Aid Type and Provisional Figure)

Type of Assistance (Calendar Year 2012)		Dollar Base (US\$ million)			Yen Base (¥ billion)			Percent of Total ODA Total	
		Disbursements	Disbursements in the Previous Year	Change from the Previous Year (%)	Disbursements	Disbursements in the Previous Year	Change from the Previous Year (%)		
ODA	Bilateral ODA	Grant Aid	3,555.36	5,037.77	-29.4	283.766	401.544	-29.3	34.1
		Debt Relief	4.69	1,444.51	-99.7	0.375	115.137	-99.7	0.0
		Grants through International Organizations	1,860.06	1,972.83	-5.7	148.458	157.248	-5.6	17.9
		Grant Aid Excluding the Above	1,690.61	1,620.42	4.3	134.934	129.159	4.5	16.2
		Grant Aid (Excluding Disbursements for Eastern European and Graduate Countries)	3,554.51	5,032.98	-29.4	283.698	401.163	-29.3	33.9
		Debt Relief	4.69	1,444.51	-99.7	0.375	115.137	-99.7	0.0
		Grants through International Organizations	1,860.06	1,972.83	-5.7	148.458	157.248	-5.6	17.7
		Grant Aid Excluding the Above	1,689.76	1,615.64	4.6	134.866	128.778	4.7	16.1
		Technical Cooperation*	3,690.25	3,543.47	4.1	294.532	282.438	4.3	35.4
		Technical Cooperation (Excluding Disbursements for Eastern European and Graduate Countries)*	3,678.51	3,533.76	4.1	293.595	281.664	4.2	35.1
		Grants Total	7,245.61	8,581.23	-15.6	578.298	683.982	-15.5	69.6
		Grants Total (Excluding Disbursements for Eastern European and Graduate Countries)	7,233.02	8,566.74	-15.6	577.293	682.827	-15.5	68.9
	ODA Loan and Other ODA Credits	-445.10	-1,719.93	74.1	-35.525	-137.090	74.1	-4.3	
	(ODA Loan and Other ODA Credits Excluding Debt Relief)	-440.53	-372.21	-18.4	-35.160	-29.668	-18.5		
	(Figures for Loans Provided)	7,740.16	7,614.07	1.7	617.770	606.893	1.8		
	(Figures for Loans Repaid)	8,185.26	9,334.00	-12.3	653.295	743.983	-12.2		
	(Figures for Loans Repaid Excluding Debt Relief)	8,180.69	7,986.28	2.4	652.930	636.561	2.6		
	ODA Loan and Other ODA Credits Excluding Disbursements of Eastern European and Graduate Countries	-356.33	-1,623.76	78.1	-28.440	-129.424	78.0	-3.4	
	(ODA Loan and Other ODA Credits Excluding Debt Relief)	-351.75	-276.04	-27.4	-28.075	-22.002	-27.6		
	(Figure of Loans Provided)	7,701.33	7,536.97	2.2	614.671	600.747	2.3		
	(Figure of Loans Repaid)	8,057.65	9,160.72	-12.0	643.110	730.172	-11.9		
(Figure of Loans Repaid Excluding Debt Relief)	8,053.08	7,813.00	3.1	642.745	622.750	3.2			
Bilateral ODA Total	6,800.51	6,861.30	-0.9	542.773	546.893	-0.8	65.3		
Bilateral ODA (Total Excluding Disbursements for Eastern European and Graduate Countries)	6,876.69	6,942.98	-1.0	548.854	553.403	-0.8	65.5		
Contributions and Financing to Multilateral Organizations	3,616.84	3,888.42	-7.0	288.673	309.933	-6.9	34.5		
Net ODA Total	10,417.34	10,749.72	-3.1	831.446	856.826	-3.0	100.0		
Net ODA Total (Excluding Disbursements to Eastern European and Graduate Countries)	10,493.53	10,831.40	-3.1	837.526	863.336	-3.0	100.0		
Gross ODA Total	18,602.61	20,083.72	-7.4	1,484.741	1,600.809	-7.3			
Gross ODA Total (Excluding Disbursements to Eastern European and Graduate Countries)	18,551.18	19,992.13	-7.2	1,480.637	1,593.508	-7.1			
Nominal Gross National Income (GNI) Figures for Each Category (US\$ billion, ¥ billion)	6,149.33	6,088.66	1.0	490,799.80	485,307.80	1.1			
Proportion of GNI (%)	0.17	0.18		0.17	0.18				
Proportion of GNI (Excluding Disbursements to Eastern European and Graduate Countries)	0.17	0.18		0.17	0.18				

Notes) 1. The following 21 countries are graduate countries that have received ODA: Hong Kong, Singapore, Brunei, Bahrain, Israel, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates, Barbados, Trinidad and Tobago, French Polynesia, New Caledonia, Cyprus, Malta, Slovenia, Croatia, Estonia, Latvia and Lithuania.

2. 2012 DAC designated exchange rate: US\$1.00=¥79.8136 (a depreciation of ¥0.1068 compared with 2011)

3. Individual totals may not be equal to the sums of the individual parts because some numbers have been rounded off.

4. Debt relief includes waiver of ODA Loans and debt reductions of collateralized commercial obligations, but excludes deferring of repayments.

5. In the past, grants through international organizations were treated as "contributions and financing to multilateral organizations." However, from 2006, donations for recipient countries identified at the time of contribution are treated as "Grant Aid" for these countries.

6. Starting with 2011 results, NGO project grants have been included in the Grant Aid of individual countries.

* Technical Cooperation includes administrative and development education expenses.

4 International Trends in Development Assistance

As exemplified by the Millennium Development Goals (MDGs) [See page 62–63], one of the recent international trends in aid has been the accelerating move toward the establishment of common goals by the international community, where various countries and organizations implement aid in coordination with each other to achieve goals. Compared with aid coordination in the past which emphasized cooperation and coordination on an individual project basis, development assistance in recent years has placed greater emphasis on ownership by partner countries, in which donor countries and aid agencies jointly support developing countries' own development plans and priorities and work together to achieve the development goals of these countries. Providers of aid thus need to offer assistance in accordance with the priorities set out in the development strategies of developing countries.

5 Japan's ODA Contribution Level

On a net disbursement basis, in 2012 Japan contributed approximately US\$6,876.7 million (approximately ¥548.9 billion) in bilateral ODA (excluding aid to Eastern Europe and graduate nations) and contributed and donated approximately US\$3,616.8 million (approximately ¥288.7 billion) to international organizations. Accordingly, total ODA contributions amounted to approximately US\$10,493.5 million, down 3.1%

from the previous year (a year-on-year decrease of 3.0% to ¥837.5 billion on a yen basis). With this amount, Japan ranked fifth among the member countries of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), after the United States, United Kingdom, Germany and France.

Historically, Japan became the world's top contributor of ODA in 1989, surpassing the United States, which until that time had held the top position. Japan then remained the leader among the DAC countries, maintaining its top rank for eight years from 1993 to 2000. However, the country's contribution dropped in 2001 and began a gradual decline, with the exception of a temporary notable increase in 2005.

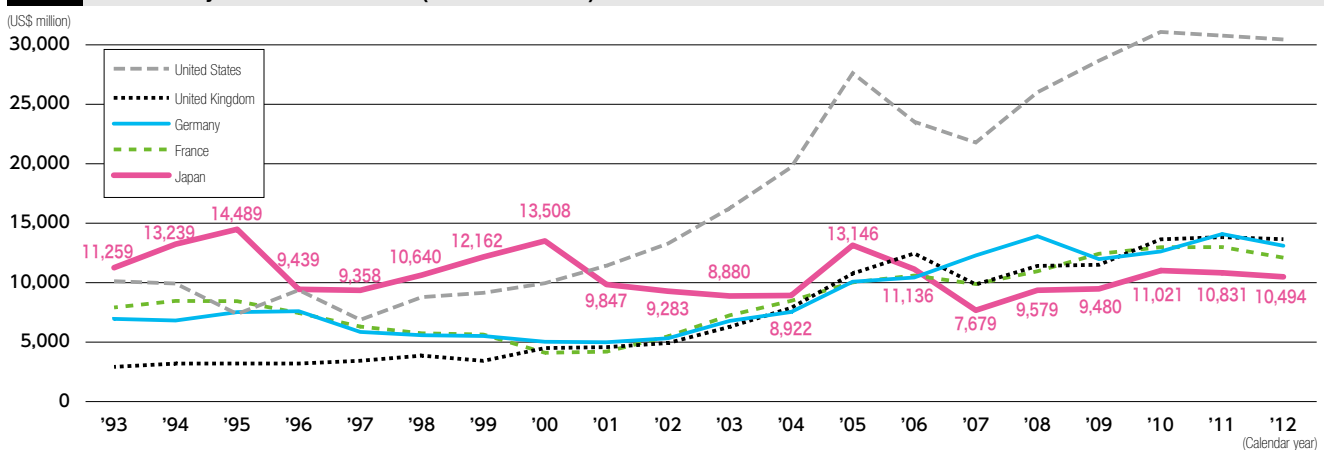
Meanwhile, Japan's ODA was equivalent to 0.17% of its gross national income (GNI), ranking it at the low level of 20th among the 24 DAC countries.

Table 5 Overview of MOFA's ODA Budget in Fiscal 2013 (Unit: ¥ billion)

	FY2012		FY2013	
	Budget	Percentage increase	Budget	Percentage increase
Entire government	561.2	-2.0%	557.3	-0.7%
Within the Ministry	418.0	0.3%	421.2	0.7%
Grant Aid	161.6	6.4%	164.2	1.6%
Management grants (General Account)	145.4	0.2%	146.9	1.1%
Contributions and donations	51.2	15.6%	49.9	-2.5%
Aid for assistance activities	59.8	1.8%	60.1	0.4%

*MOFA's ODA budget in fiscal 2012 amounted to ¥418.2 billion including the restoration and reconstruction budget managed under a Special Account.
Source: MOFA's website

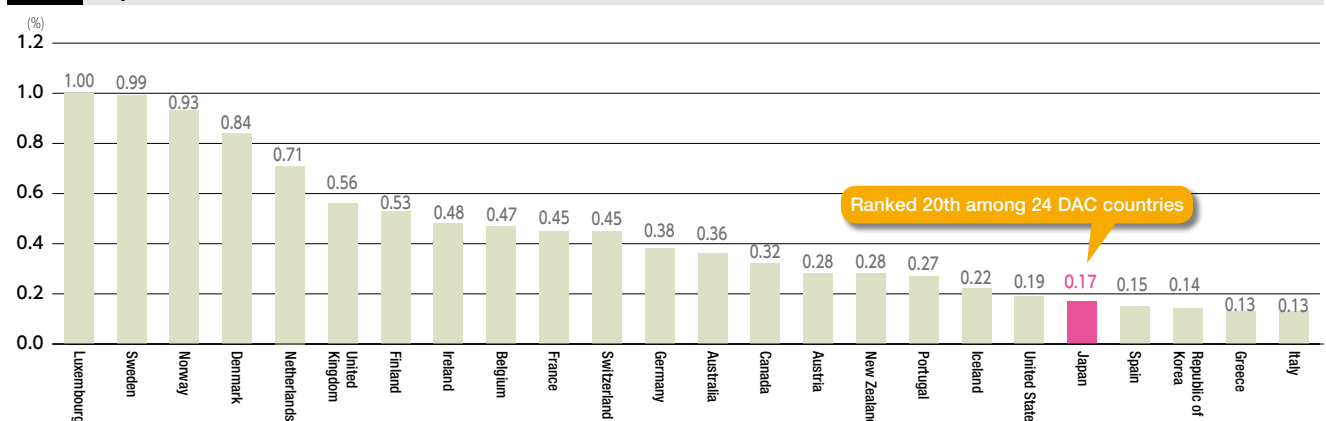
Table 3 Trends in Major DAC Countries' ODA (Net Disbursement)



Source: OECD DAC

Notes) 1. Excluding aid for Eastern Europe and graduate countries. 2. Figures for 2012 are provisional.

Table 4 Proportion of ODA to Gross National Income of DAC Countries



Source: OECD DAC (2012 provisional figures)

An Overview of JICA's Programs

In fiscal 2012, JICA focused its assistance programs on the priority fields of reducing poverty in developing countries and contributing to sustainable economic growth; global scale issues, such as climate change measures; mainstreaming disaster prevention; attaining the Millennium Development Goals (MDGs); peacebuilding; democratization in the Middle East following the Arab Spring; and new nation building.

Overview of JICA's Activities in Fiscal 2012

Japan's ODA Disbursements and JICA's Activities

In calendar 2012, Japan's total ODA disbursements (provisional figure) amounted to US\$18,602.61 million (¥1,484.7 billion), including aid to Eastern Europe and graduate nations and assistance to the European Bank for Reconstruction and Development (EBRD). Of this total, Grant Aid accounted for US\$3,555.36 million (¥283.8 billion), Technical Cooperation US\$3,690.25 million (¥294.5 billion) and Loan Aid US\$7,740.16 million (¥617.8 billion).

Looking at JICA's disbursements in fiscal 2012 (Table 6), Technical Cooperation implemented by JICA amounted to ¥167.8 billion, a decrease of 11.2% from the previous fiscal year.

Turning to Grant Aid, which JICA began implementing from October 2008, JICA implemented 192 projects amounting to approximately ¥141.6 billion (Grant Agreement amount) (Table 7).

Loan Aid disbursement amount totaled ¥864.4 billion and was provided to 54 countries and one organization, and Private-Sector Investment Finance disbursement amount totaled ¥270 million and was provided to two organizations.

Tables 8 to 10 show trends in the scale of JICA's programs for Technical Cooperation, Loan Aid and Grant Aid over the past 10 years.

In fiscal 2012, Technical Cooperation expenses amounted to ¥167.8 billion, a

decrease of 11.2% (¥21.1 billion) from the previous fiscal year.

The Loan Aid commitment amount rose from the previous fiscal year, totaling ¥1,226.7 billion in fiscal 2012. Meanwhile, the scale of Grant Aid programs also increased and reached a total amount of ¥141.6 billion in fiscal 2012.

Composition of Disbursements by Region

Table 11 shows distribution of Technical Cooperation, Loan Aid and Grant Aid in fiscal 2012 by geographic region.

Looking at disbursements of Technical Cooperation by geographic region, Asia accounted for 36.5%, Africa 22.8% and North and Latin America 8.2%, in descending order. The 23.4% in "Others" include disbursements for international organizations and worldwide projects across countries and regions.

Table 6 Disbursements by Type of JICA Program in Fiscal 2012 (Unit: ¥ billion)

	FY2012	FY2011
Technical Cooperation *1	167.8	188.9
Acceptance of training participants	17.0	20.1
Dispatch of experts	56.8	64.7
Dispatch of study team members	36.7	40.3
Provision of equipment	5.3	8.8
Dispatch of Japan Overseas Cooperation Volunteers	8.3	9.9
Dispatch of other volunteers	3.4	3.9
Others	40.3	41.3
Loan Aid *2	864.6	609.7
Grant Aid *3	141.6	107.4

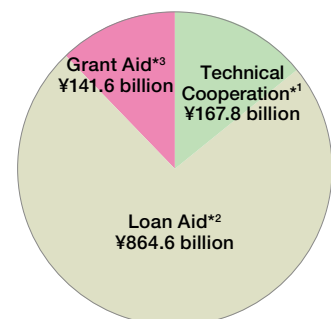
Note) Because the numbers for each program are rounded to the nearest whole number, the figures do not always match the total numbers.

*1 Includes costs of dispatching volunteers and other costs.

*2 Amount disbursed within the fiscal year.

*3 Amount of concluded Grant Agreements. However, for projects running over several fiscal years, the maximum amount allowed for each fiscal year is counted for that fiscal year.

Table 7 Fiscal 2012 JICA's Operation Scale



*1 Technical Cooperation expenses excluding management expenses

*2 Amount of Loan Aid distributed

*3 Amount of concluded Grant Agreements. However, for projects running over several fiscal years, the maximum amount allowed for each fiscal year is counted for that fiscal year.

Table 8 Technical Cooperation Disbursements for the Past 10 Years

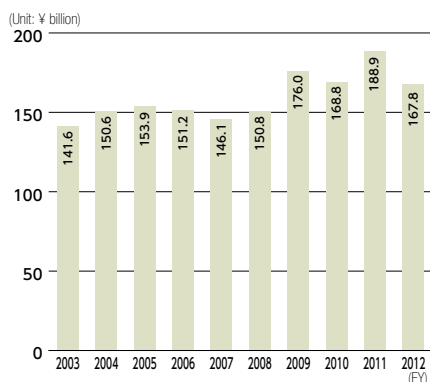
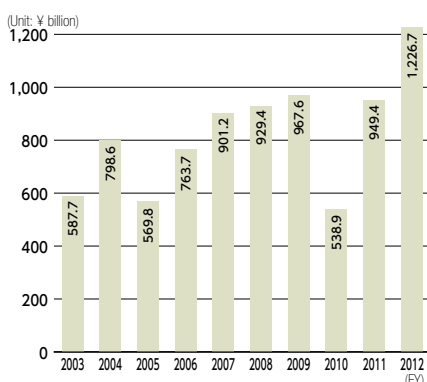
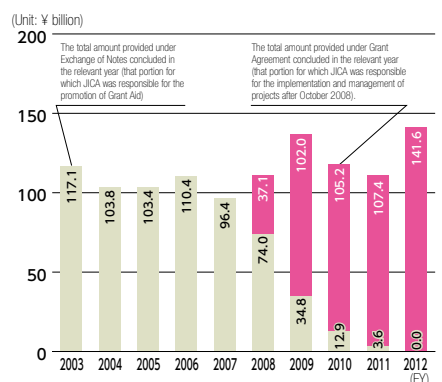


Table 9 Loan Aid Commitment Amounts for the Past 10 Years



Note) Total ODA Loan and Private-Sector Investment Finance

Table 10 Scale of Grant Aid for the Past 10 Years



Note) JICA was responsible for expedition of implementation of Grant Aid until fiscal 2007. From October 2008, JICA has also been performing project management of a portion of Japan's Grant Aid.

Looking at commitment amounts for new Loan Aid by region in fiscal 2012, Asia accounted for 84.5%, Middle East 7.3% and North and Latin America 3.9%. Continuing from fiscal 2011, Asia's share has been considerably high.

On the other hand, as for Grant Aid, Asia accounted for 58.3%, Africa 28.5% and North and Latin America 5.6%. As in fiscal 2011, Asia and Africa accounted for a large proportion of Grant Aid.

Composition of Disbursements by Sector

Table 12 shows the composition of disbursements by sector in fiscal 2012.

Disbursements of Technical Cooperation by sector were, in descending order, 29.2% for Others, 19.1% for public works and utilities, 13.6% for agriculture, forestry and fisheries and 13.0% for planning and administration.

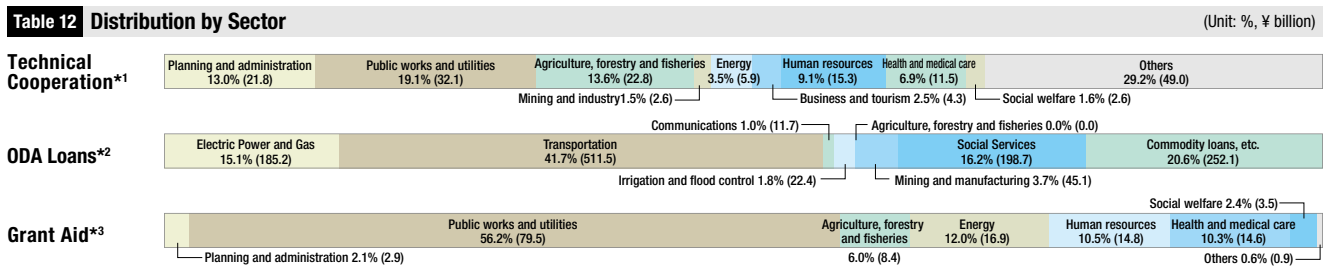
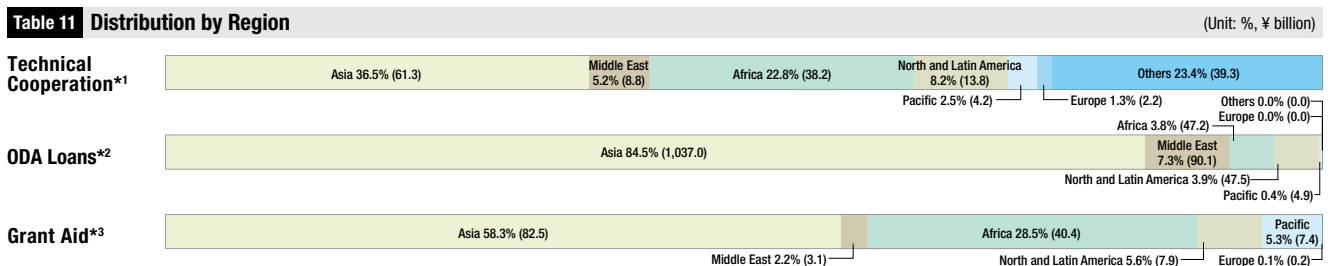
For Loan Aid, a large portion, i.e., 41.7%, were allocated for projects in the transportation sector, including railways, roads and ports. This was followed by commodity loans, etc. at 20.6% and social services at 16.2%.

For Grant Aid, the largest share of disbursement was made to public works and utilities at 56.2%, followed by energy at 12.0% and human resources at 10.5%.

Trends in Number of Personnel by Type of Technical Cooperation

The number of personnel by type of JICA program in fiscal 2012 was as follows. The number of technical training participants (new) was 26,081, while JICA dispatched 9,325 experts (new), 9,021 study team members (new), 948 Japan Overseas Cooperation Volunteers (new) and 329 other volunteers (new). As a result, to date JICA has accepted a total of 515,867 technical training participants (FY1954–FY2012) and dispatched a total of 126,139 experts (FY1955–FY2012), 244,103 study team members (FY1957–FY2012) and 38,294 Japan Overseas Cooperation Volunteers (FY1965–FY2012).

Trends in the number of personnel by type of cooperation since fiscal 2003 are shown in Table 13.

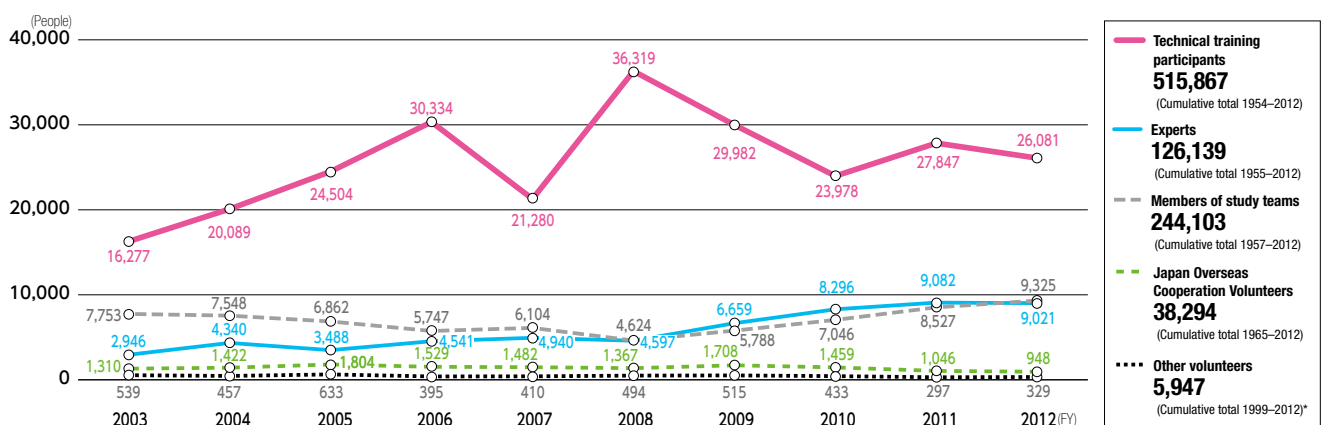


*1 Expenses that include expenses required for dispatching volunteers and Japan Disaster Relief Team.

*2 Amounts are based on newly concluded loan agreements (L/A basis).

*3 Amount of concluded Grant Agreements. However, for projects running over several fiscal years, the maximum amount allowed for each fiscal year is counted for that fiscal year.

Table 13 Trends in Number of Personnel by Type of Cooperation (cumulative total)



* Includes senior volunteers, senior volunteers for overseas Japanese communities, UN volunteers and Japan overseas development youth volunteers. Until 1998, these figures had been included in other types of cooperation. The dispatch of emigrants ended in FY1995. The cumulative total from FY1952 to FY1995 was 73,437.

Overview of Financial Statements

General Account

1. Overview of Balance Sheet

For the fiscal year ended March 31, 2013, total assets amounted to ¥193,830 million, declining ¥11,841 million from the previous fiscal year. The decrease can be mainly attributed to a ¥8,989 million decline in cash and bank deposits and a ¥3,632 million drop in advance payments. Total liabilities were ¥137,106 million, increasing ¥21,297 million year on year. The major factor in the increase was a ¥22,624 million increase in management grant liabilities, the balance of which was zero in the prior year.

(Unit: Millions of yen)

Assets		Liabilities	
	Amount		Amount
Current assets		Current liabilities	
Cash and bank deposits	48,350	Management grant liabilities	22,624
Securities	80,000	Funds for grant aid projects	95,993
Others	15,981	Others	15,665
Fixed assets		Fixed liabilities	
Tangible fixed assets	46,297	Property liabilities	2,250
Intangible fixed assets	5	Others	574
Investment and other assets	3,197		
		Total liabilities	137,106
		Net assets	
		Capital	
		Government investment	67,279
		Capital surplus	(16,687)
		Retained earnings	6,131
		Total net assets	56,723
Total assets	193,830	Total liabilities and net assets	193,830

Finance and Investment Account

1. Overview of Balance Sheet

For the fiscal year ended March 31, 2013, total assets amounted to ¥11,129,499 million, declining ¥19,146 million from the previous fiscal year. The decrease was principally due to a ¥20,838 million reduction in affiliated companies stock. Total liabilities were ¥2,317,620 million, declining ¥138,705 million year on year. The major factor in the decrease was a ¥240,304 million contraction in borrowings from government fund for Fiscal Investment and Loan Program compared with the previous fiscal year.

(Unit: Millions of yen)

Assets		Liabilities	
	Amount		Amount
Current assets		Current liabilities	
Loans	11,020,269	Borrowings from government fund for Fiscal Investment and Loan Program due within one year	317,109
Allowance for possible loan losses	(140,847)	Others	69,698
Others	131,651	Fixed liabilities	
Fixed assets		Bonds	260,000
Tangible fixed assets	9,035	Borrowings from government fund for Fiscal Investment and Loan Program	1,662,561
Intangible fixed assets	0	Others	8,252
Investment and other assets		Total liabilities	2,317,620
Claims in bankruptcy, rehabilitation, reorganization or other equivalent claims	72,617	Net assets	
Allowance for possible loan losses	(40,577)	Capital	
Others	77,352	Governmental investment	7,714,798
		Retained earnings	
		Reserve	1,036,291
		Others	93,497
		Valuation and translation adjustments	(32,708)
		Total net assets	8,811,879
Total assets	11,129,499	Total liabilities and net assets	11,129,499

2. Overview of Income Statement

For the fiscal year ended March 31, 2013, ordinary expenses amounted to ¥242,247 million, increasing ¥5,744 million from the previous fiscal year. The increase was primarily due to the ¥13,186 million year-on-year expansion in expenses for grant aid programs. Ordinary revenues totaled ¥226,546 million, decreasing ¥34,583 million. The major factor in the decline was the ¥47,154 million contraction in revenues from management grants.

(Unit: Millions of yen)

	Amount
Ordinary expenses (A)	242,247
Operating expenses	233,527
Expenses for technical cooperation projects	72,017
Expenses for public participation based cooperation	14,738
Expenses for assistance promotion	13,333
Expenses for accounting support	28,242
Expenses for grant aid programs	96,618
Others	8,579
General administrative expenses	8,451
Financial expenses	36
Others	233
Ordinary revenues (B)	226,546
Revenues from management grants	126,465
Revenues from grant aid programs	96,618
Others	3,463
Extraordinary losses (C)	2,022
Extraordinary profit (D)	8
Reversal of surplus deposits from the previous mid-term period (E)	17,454
Total income (B-A-C+D+E)	(261)

2. Overview of Income Statement

For the fiscal year ended March 31, 2013, total income amounted to ¥93,497 million, edging down ¥571 million from the previous fiscal year. The slight decline was the result of ordinary revenues increasing ¥2,675 million, to ¥222,202 million, while ordinary expenses grew ¥4,146 million, to ¥128,703 million. The major contributor to the increase in ordinary revenues was a ¥7,556 million growth in dividends on investments, while the primary contributor to the increase in ordinary expenses was a ¥2,171 million expansion in interest on interest swaps.

(Unit: Millions of yen)

	Amount
Ordinary expenses (A)	128,703
Expenses related to operations of cooperation through finance and investment	128,703
Interest on borrowings	31,348
Interest on interest swaps	8,297
Outsourcing expenses	21,031
Property expenses	12,795
Provision of allowance for possible loan losses	25,278
Provision of allowance for contingent losses	20,196
Others	9,759
Ordinary revenues (B)	222,202
Revenues from operations of cooperation through finance and investment	221,549
Interest on loans	184,958
Dividends on investments	27,520
Others	9,071
Others	653
Extraordinary losses (C)	2
Extraordinary profit (D)	0
Total income (B-A-C+D)	93,497

JICA's Path for Development Activities

Overall Policy for Development Activities in Fiscal 2013

(1) Assistance Contributing to Economic Growth

- In the Asian economic zone, JICA will cooperate with the Japanese government's "Strategy of Global Outreach," pursuing the development of markets for Japan's exceptional products and technologies in such fields as infrastructure and systems. On the other hand, in Myanmar, JICA will actively invest in resources to develop a more robust market economy.
- In developing countries, including newly emerging countries and new, middle income countries, it will be important to support both economic and social development. In addition to extending assistance for economic growth, such as economic infrastructure investment and institutional development, providing aid to control and mitigate widening disparities is important for the stable and continued growth of society. To that end, JICA will provide assistance for appropriate measures that match the difference in each country's structure. Among others, those measures will include offering equal educational opportunities, correcting disparities between ethnic groups, regions and genders, establishing social insurance systems, ensuring healthcare and vitalizing rural areas.
- In addition to measures to reduce poverty in poor countries and low income countries, JICA will also actively provide assistance with the formation of economic policies for the development of economic infrastructure and private sector, the building of institutions, and other measures based on the recognition that economic growth is indispensable for reducing poverty levels.

(2) Contributing to Peacebuilding and Human Security

- JICA will continue its ongoing assistance for Afghanistan, Iraq, Palestine and South Sudan. Collaborating with development partners, JICA will press forward with projects involving assistance for Myanmar's minority ethnic groups, consolidation of the peace in the Mindanao region of the Philippines, stabilization of the Sahel region in Africa and measures to deal with poverty in the region and stabilization of the politics and societies of countries in North Africa and the Middle East following the so-called Arab Spring.
- JICA will also extend timely assistance from the perspective of ensuring human security regarding basic issues, such as poverty, starvation, human rights and healthcare and education.

(3) Assistance for Achieving MDGs and for Africa

- For current MDGs, JICA will be emphasizing outcome-oriented assistance mainly for the healthcare and education sector, which has fallen behind in progress. In other sectors, JICA will steadily implement measures to fulfill Japan's commitment. In addition, JICA will actively participate in the

discussion about post-MDGs (from 2015) in the international arena.

- In Africa, JICA will proceed with projects aimed at achieving the MDGs and with TICAD V in mind. In addition to reducing poverty, peacebuilding and other issues, economic growth in the region (doubling incomes) is scheduled to be added to the TICAD discussions. Taking into consideration regional context, JICA will proactively endeavor to support such measures as building economic infrastructure and developing the private sector.

(4) Private Sector Collaboration and Utilizing Japan's Knowledge

- JICA will pursue projects that directly provide assistance to the business activities of private sector companies. Such projects will include overseas investment, public-private partnership (PPP) infrastructure assistance, base of the pyramid (BOP) business, overseas development assistance for small and medium-sized enterprises (SMEs), private sector-proposed Technical Cooperation and private sector collaboration volunteers.
- In conjunction with spreading Japan's knowledge through the mobilization of Technical Cooperation, financial cooperation and other schemes, JICA will implement cooperation that contributes to both the development of developing countries and private sector companies. JICA will do so by fully leveraging the assistance methods of such mechanisms as extending aid for formulating government policies for projects that utilize the previously mentioned schemes, such as establishing legal frameworks, improving the business environment, disaster prevention and climate change measures.
- JICA will provide assistance that demonstrates the knowledge, development experience and other software power accumulated by Japanese industry and public and private sectors.

(5) Contributing to Japan's Strategic Diplomacy

- JICA will work on policy issues that directly influence Japan's strategy diplomacy efforts, such as resource development strategies, reinforcing maritime safety and security capacity and strengthening cybersecurity.
- In the environment and climate change field, JICA will continue to keep an eye on the direction of the joint crediting mechanism/ bilateral offset credit mechanism being considered by the Japanese government. At the same time, JICA will steadily provide developing countries with assistance in utilizing Japan's superior low carbon technology and in strengthening their emissions monitoring, reporting and verification (MRV) systems.
- Cooperating with ASEAN, the African Union and other regional organizations, the United Nations and other international institutions, JICA will actively pursue strategic projects that go beyond borders.



Morocco: Scene of Japanese language class at Mohammed V-Agdal University Rabat being taught by a Senior Volunteer [Photo by Shinichi Kuno]

Concrete Initiatives of JICA's Programs in Fiscal 2012

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Vietnam: Children in Cu lao Cham (Cham Islands) [Photo by Shinichi Kuno]

Director General's Message

Southeast Asia and Pacific

Hidetoshi Irigaki

Director General
Southeast Asia and Pacific
Department



Advancing Together by Strengthening Partnership

The Association of Southeast Asian Nations (ASEAN) countries enjoy sound economic growth in the world. Among others, assistance to Myanmar is a remarkable activity in the fiscal year 2012. For Myanmar, following the announcement of Japan's new economic cooperation policy in April 2012, JICA started full-scale supports in three pillars: improvement of people's livelihoods, capacity building and institutions development, and sustainable economic development.

While some original ASEAN member countries have maintained high economic growth, shortage of infrastructure development becomes an emerging issue as ASEAN countries have held down infrastructure investments since the Asian economic crisis in the late 1990s. JICA is extending support for rebuilding infrastructure development plans. Some of our cooperation includes preparation of the infrastructure master plan in the Jakarta metropolitan area in Indonesia and the transport infrastructure development road map in Metro Manila in the Philippines. To encourage infrastructure investments, JICA assists with strengthening frameworks for public-private partnership (PPP), formulating PPP projects and providing financial cooperation for it. In these countries, other issues also emerge along with the increase of income level. For example, aging becomes a serious social problem in Thailand. Industrial advances are essential in order to avoid the "middle income trap." JICA supports to deal with these issues, by using Japan's lessons and experiences.

In contrast to original ASEAN member countries, Cambodia, Laos, Myanmar, and Vietnam have substantial development needs in many sectors. JICA has provided comprehensive assistance, such as improvement of social services, infrastructure development, and human resources development. For realizing ASEAN integration by 2015, JICA also provides cooperation in

strengthening ASEAN connectivity, inclusive development that narrows development gap among the region, environmental management, climate change and disaster management.

In the Pacific, countries with abundant natural resources such as Papua New Guinea and the Solomon Islands have experienced relatively smooth economic growth. In the fiscal year 2012, JICA extended the first ODA loan to Vanuatu for harbor construction. While the 6th Pacific Islands Leaders Meeting (PALM6) was held in Okinawa in May of 2012, JICA has provided cooperation, addressing regional common issues, such as efficient water supply system, adaptation to climate change, and disaster management, in collaboration with local governments, international organizations and other donors.

In the fiscal year 2013, ASEAN and Japan mark the 40th anniversary of their friendship and cooperation. Beyond cooperation in traditional sectors, it is necessary to cooperate in emerging areas which both ASEAN and Japan would face with. It would become more important to learn each other between ASEAN and Japan in years ahead. JICA will enhance its partnership with ASEAN, as a pivotal partner, with the support of Japanese local governments and civil groups, as well as extending joint cooperation with the ASEAN countries to assist Africa, the Middle East and other regions.

Southeast Asia

Strategic Cooperation for Sharing Prosperity between Japan and Southeast Asia

There are growing expectations for Southeast Asia to become the center of growth for the global economy because of the region's consistently high economic growth rate in recent years and population of about 620 million. This region is also becoming increasingly important for Japan because of the deepening economic relationship as the Association of Southeast Asian Nations (ASEAN) moves toward the establishment of the ASEAN Community in 2015.

Sustaining economic growth in Southeast Asia will require creating a variety of frameworks for infrastructure development, human resources development and attracting investments from other regions of the world. Furthermore, there are still many issues in this region such as the narrowing development gap within the region and individual countries as well as disaster prevention and environmental issues.

JICA is extending support for the sustained economic growth of Southeast Asian countries as well as various issues and changing needs in these countries. JICA will continue to conduct activities aimed at deepening ties as strategic partners so that Japan and Southeast Asia can prosper together.

Special Feature

Program Goals and Overview

Concrete Initiatives

Cooperation Modality

Operation, Management and Evaluation

Data and Information

Key Aid Strategies

Support for Economic Growth, Promotion of Inclusive Development, Assistance for Myanmar, Initiatives for New Issues and Regional Issues

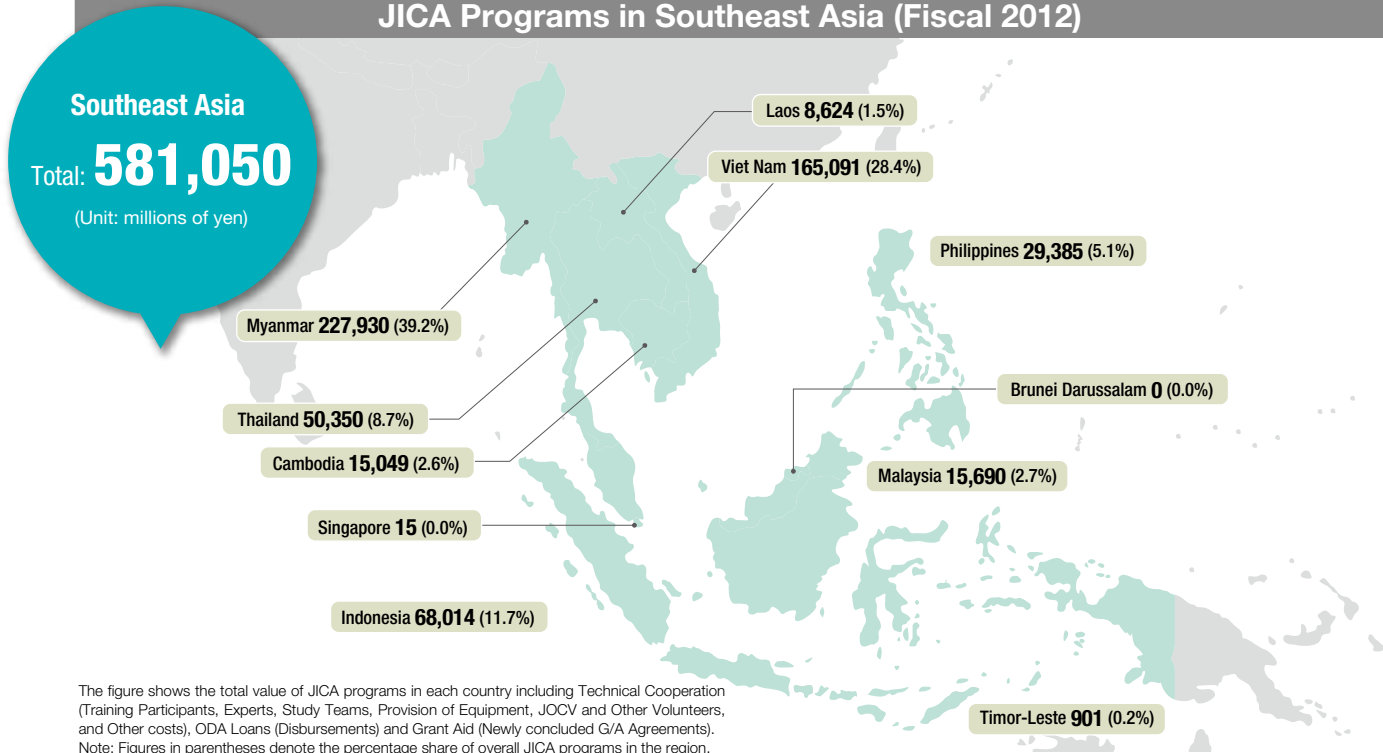
Support for Economic Growth

Numerous issues must be tackled in order to enable the original ASEAN member countries (Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand) to sustain economic growth without falling into the so-called middle-income trap.* For example, emphasis is needed on industries that add more value and measures are needed to support the growth and effectiveness of the ASEAN Community. Accomplishing these goals will require support for infrastructure development, a favorable investment climate and the development of

supporting industries. These same issues must be targeted as well to achieve continuous economic growth at the newer ASEAN members (Cambodia, Laos, Myanmar and Viet Nam). In these fields, JICA is involved beginning with the policy and master plan stages. JICA also provides assistance for development projects and improving the climate for investments with respect to soft aspects.

Infrastructure development using public-sector funds alone is not enough to maintain consistent economic growth in Southeast Asia. Growth will also require development projects

JICA Programs in Southeast Asia (Fiscal 2012)



The figure shows the total value of JICA programs in each country including Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other Volunteers, and Other costs), ODA Loans (Disbursements) and Grant Aid (Newly concluded G/A Agreements). Note: Figures in parentheses denote the percentage share of overall JICA programs in the region. Note: Figures exclude JICA's cooperation for multiple countries and international organizations.

that use Public-Private Partnerships (PPP) and other private-sector resources. In Southeast Asia, JICA provides assistance for establishing the systems needed to promote PPP projects. Private-sector funds and deeper partnerships with corporate activities, including those of SMEs, are used to support regional development. Furthermore, JICA assists in building and reinforcing foundations for private-sector activities.

From the standpoint of utilizing Japanese knowledge and technologies, JICA uses collaboration with the civil society, local governments, private-sectors, universities and other partners. There is also support for emerging issues for the region that draws on knowledge and technologies as a country that faced similar challenges slightly earlier.

*A situation where a country that has overcome poverty and reached the middle-income level loses its competitiveness due to rising wages and other reasons.

● Promotion of Inclusive Development

Although the number of people in the high and middle-income class is increasing in Southeast Asia, there are concerns about the widening disparities within the region and countries.

Actions to eliminate these disparities will be essential for Southeast Asia to maintain its growth and stability. This is why JICA is providing assistance for basic education, governance, health, agriculture, safe water supplies and in other areas. Other activities include aid for minority ethnic groups in Myanmar and strengthening the capacities of government institutions for the consolidation of peace in the Mindanao region of the Philippines. Timor-Leste aims at early accession to ASEAN. JICA is extending support to narrow the development gap in the region, provide education, strengthen connectivity and make other improvements.

Disaster prevention measures are important in Southeast Asia from the standpoint of sustaining economic growth, too. When a disaster occurs, JICA provides humanitarian aid and support during the recovery and reconstruction stages. Assistance also extends to evaluating risks associated with natural disasters, preparing disaster preparedness and response plans, and establishing early warning systems. In addition, JICA is considering the use of standby loans to meet financial needs after a disaster.

Case Study ASEAN Activities for Industries and Disaster Management

Information Gathering and Verification Area Studies for Natural Disaster Risk Assessments at Industrial Agglomerated Areas and Business Continuity Planning

Floods, torrential rain and other natural disasters occur frequently in the ASEAN region. Typhoons and cyclones produce floods and other problems every year in the Philippines, along the coast of the Bay of Bengal in the Indian Ocean and in the Mekong Delta. The ASEAN region is also highly vulnerable to earthquakes and tsunamis.

To strengthen the ability of the ASEAN region to deal with natural disasters, the ASEAN Agreement on Disaster Management and Emergency Response (AADMER) was established in December 2009. Currently, JICA is supporting activities of the ASEAN Committee on Disaster Management based on the AADMER work program, which is a concrete action plan in accordance with the agreement.

Massive natural disasters not only affect people's lives but also impact activities of the private sector in many ways that could also influence regional and national economies and even the global economy. In 2011, the Great East Japan Earthquake and massive flooding of the Chao Phraya River clearly demonstrated such economic impacts. Companies are responding to this risk by preparing their own business continuity plans. However, there are limits on the actions that individual companies can take against major disasters that interrupt public infrastructures like electricity, water and transportation over an entire region.

Local and other governments where industrial clusters are located need to cooperate with the private sector to examine and assess disaster risk exposure in the area. Then measures for disaster management such as disaster preparedness measures must be examined and prepared to respond to these risks.

Enhancing disaster management in ASEAN region where industries are agglomerated makes regional economies more resilient to natural disasters. Taking these actions is

also beneficial for Japan which has a strong economic relationship with the region, and Japanese companies which operate in the region.

JICA proposed the Study for Natural Disaster Risk Assessment and Area Business Continuity Plan Formation for Industrial Agglomerated Areas in the ASEAN region to the ASEAN Committee for Disaster Management. The committee officially approved the plan in April 2013 and the study has started as an ASEAN cooperation project.

Performing this study allowed identifying natural disaster risk in ASEAN countries along with the current condition of industrial areas, logistics infrastructures, lifelines and supply chains. The information will be compiled in a database that all regions can share. Pilot regions were selected in Indonesia, the Philippines and Viet Nam. Natural disaster risks for industrial agglomerated area will be evaluated in each region and support provided for creating area-wide business continuity plans. Results of these activities will be used to prepare guidelines for natural disaster risk assessments and area business continuity

plans so that the program can be conducted throughout the ASEAN region.

For risk assessments and business continuity plans, an advisory committee will be established in Japan consisting of experts in Japan in these fields who will give advice based on their knowledge as specialists. There will also be a panel consisting of prominent individuals in ASEAN countries for the purpose of providing advice concerning the study's implementation.

The study is expected to facilitate measures for minimizing economic effects and losses in the event of a large-scale natural disaster in the ASEAN region.



Industrial Agglomerated Areas along Chao Phraya River, Thailand

● Assistance for Myanmar

As democratization advances rapidly in Myanmar, the country continues to take actions to create a market economy. Despite mounting international investors' interest in Myanmar, many problems exist, such as a shortage of skilled labor and an inadequate basic infrastructure. JICA is providing support for (i) improving the lives of the people of Myanmar, (ii) upgrading the capacities of people and establishing systems, and (iii) achieving sustained economic growth.

● Initiatives for New Issues and Regional Issues

ASEAN countries must deal with new issues like aging populations just as in Japan. These issues are altering needs for assistance from JICA. To respond to these new needs, JICA is performing studies in order to determine how to extend support. There are studies concerning social security systems in Indonesia, disparity reduction in Thailand and coping with an aging population in Malaysia.

Furthermore, JICA provides cooperation for regional issues that encompass many countries. For example, there is cooperation for strengthening maritime security capabilities, cyber-security measures, protecting the environment and climate change measures.

Country Overviews and Priority Issues

● Indonesia

Indonesia's real GDP growth rate remained high at 6.2% in 2012 following 6.5% in 2011. With a population of 240 million, the presence of Indonesia increases as a key driver of economic growth in the ASEAN region. However, the infrastructure is not

keeping up with economic growth. The result is severe traffic jams, a tight electricity supply and other problems.

Infrastructure shortage is particularly serious in Jakarta Metropolitan Area. To help resolve this problem, JICA, in cooperation with the Government of Indonesia, created "the Master Plan for Establishing Metropolitan Priority Area for Investment and Industry (MPA) in JABODETABEK Area". The plan includes the future vision and the necessary infrastructure development plan of the MPA for 2020. The plan was approved at the ministerial levels of Japan and Indonesia in October 2012. JICA is working with the government of Indonesia to accelerate the formulation and implementation of the projects listed in the Master Plan.

Demand is increasing for schemes using the Public-Private Partnership (PPP) approach as a means of encouraging private-sector companies to participate in infrastructure development. JICA is providing comprehensive cooperation that includes assisting in establishing relevant policies and regulations, developing the capacities of government institutions by creating model projects, and other activities. In addition, JICA's cooperation encompasses support for responses to international and regional challenges such as climate change and the new issue of Indonesia's emergence as a donor country.

● Philippines

Real GDP growth rate in the Philippines was high at 6.6% in 2012 despite the slowing global economy mainly because of solid household spending and growth of the service sector. But the country must resolve a large number of problems that may become obstacles to sustainable growth. Examples include income disparities, a poor climate for investments from

Case Study Philippines Support in Cooperation of Japanese Local Government

Preparation of the Metro Cebu Urban Development Vision in Cooperation with Yokohama

JICA, in cooperation with the City of Yokohama, supported Metro Cebu, the second largest metro in the Philippines, to come up with an urban development vision called "Mega Cebu Vision 2050." This cooperation was conducted based on the Comprehensive Partnership Agreement between JICA and the City of Yokohama (October, 2011) and the Memorandum of Understanding between the City of Yokohama and the City of Cebu (March, 2012). The City of Yokohama has extended international technical cooperation based on its urban development experience (such as the Minato Mirai area) which was highly appreciated by the Metro Cebu.

A unique feature of this case was to apply the "back casting" approach. The back casting approach was to discuss at first an urban development vision and then to propose prioritized individual projects which are consistent with the vision instead of the conventional masterplanning method which accumulates data to propose individual projects. This approach resulted in formulating the vision in a short period of time. The formulated vision has four development strategies including livability and transportation. It also has reference targets such as a 24-hour supply of safe water. JICA will continue to support the implementation of prioritized projects in such areas of transportation, water supply,

sewerage, solid waste management, through ODA and/or PPP. Three companies located in Yokohama city have already started studies in the areas of sludge treatment, solid waste management and solar power, supported by the Japanese Government and JICA as a part of a policy thrust to promote overseas activities of small and medium enterprises. In addition, in 2012, Yokohama Water Corporation, which was established by the Yokohama Waterworks Bureau, assisted the Metro Cebu Water District in water treatment, pipe maintenance and other operations as a JICA Technical Cooperation project.

This case was the first case in which JICA collaborated with a Japanese local government

to support the overall urban plan of an overseas counterpart local government. It could be a new model of ODA in which JICA could support Japanese Government policy to promote overseas activities of local governments.



Pollution in rivers of the City of Cebu are serious because of the insufficient sewerage systems and awareness of residents.

overseas and vulnerability to natural disasters.

JICA's cooperation in the Philippines focuses on the following priority issues: 1) sustainable economic growth by promoting investments; 2) overcoming the country's vulnerabilities; and 3) establishing peace in Mindanao.

The Philippines presents a new ODA model of JICA's assistance for overseas activities of Japanese local governments that is promoted by the government of Japan. In 2011, JICA and the City of Yokohama signed a Comprehensive Partnership Agreement for solving challenges caused by urbanisation in developing countries. Cooperation in this area has started in Metro Cebu, the second-largest metropolitan area in the Philippines [See the Case Study on page 23].

In Mindanao, a conflict has been going on for 40 years between the government and a group seeking independence. A framework agreement for peace was signed by the government of the Philippines and the Moro Islamic Liberation Front (MILF) in October 2012 to create the new Bangsamoro government in 2016. JICA will use its experience in this field to assist in the transition process to the new political entity. Activities will include training people who can become government ministers and creating models for regional developments.

● Thailand

In the Eleventh National Economic and Social Development Plan (2012-2016), the government of Thailand stated that its national vision is to be "a happy society with equity, fairness and resilience." The plan includes measures for continuous and comprehensive economic and social development. With a GNI per capita of US\$4,420 (2011), Thailand has joined the ranks of upper-middle income countries. However, many issues must be addressed to achieve sustained social and economic development: making industries more competitive, measures for an aging population, environmental problems and climate change, and assistance for socially vulnerable people. In addition, there are several issues throughout the ASEAN region such as strengthening ASEAN connectivity and reducing disparities.

JICA is extending its cooperation to Thailand in three priority areas: 1) Sustainable development of economy and coping with maturing society; 2) Coping with common issues in ASEAN countries; and 3) Promotion of cooperation towards countries outside the ASEAN region.

JICA is providing support for issues in Thailand as an upper-middle income country. For example, JICA is implementing several projects for recovery from the damage of the severe flooding of 2011, infrastructure development for enhancing competitiveness, countermeasures to climate change, environmental management at the provincial level, SME promotion, and care services development for elderly people.

● Cambodia

Although Cambodia's economy is making progress, the country continues to lag behind the ASEAN countries with a per capita GNI of \$830 (2011) and a poverty rate of about 26.1%.

In anticipation of Cambodia's ASEAN integration, JICA is providing support in three priority areas in order to achieve economic growth and reduce poverty: strengthening the economic foundation, promoting social development and strengthening governance. Assistance is aimed at nation-building from both hard and soft aspects.

Foreign Investments in Cambodia, have been increasing rapidly in recent years. JICA is using the Japan Desk at the Cambodia Development Council to assist in upgrading services for investors. In addition, an ODA Loan agreement was signed in May 2013 for the National Road No. 5 Improvement Project. This road is an east-west arterial highway in Cambodia and is a vital part of the southern economic corridor that links Ho Chi Minh City in Viet Nam with Bangkok, Thailand.

The government of Cambodia is currently working on a medium to long-term national development plan. Along with the World Bank, Asian Development Bank and other organizations, JICA discusses with the government how to create suitable development strategies.

● Laos

The GDP of Laos has been increasing consistently at an annual rate of almost 8% as the country makes progress toward leaving the ranks of least developed countries and attaining the Millennium Development Goals (MDGs).



An expert provides guidance at the Siem Reap Water Public Corporation.

JICA's basic approach in its cooperation to Laos is centered on support for the achievement of the MDGs and for building a foundation for economic growth that will be a driving force for the country's self-reliant and sustainable growth. JICA focuses on the cooperation for the following priority areas: Development of Economic and Social Infrastructure; Agricultural Development and Forest Conservation; Improvement of Educational Environment and Human Resource Development; Improvement of Health Care Services; and Improvement of Governance. With these priorities, assistance to Laos also reflects the unique characteristics of Laos such as the need to remove unexploded ordinances and utilize the country's abundant resources for power generation.

Laos has been recently attracting attention for its



This transmission line of about 40km goes from the Paksan substation and over the Pakkading Pass.



Many people undergo blood tests at a temple.

investment opportunities. Savannakhet is particularly appealing and Japanese companies are making investments there because of its location on the East-West Economic Corridor linking Viet Nam, Laos and Thailand. JICA has extended its cooperation as Loan and Grant Aid for establishing this East-West Economic Corridor, thereby helping create a favorable climate for investments. In 2012, construction of a main power transmission line was completed and this ODA Loan project contributes the electricity supply to Savannakhet.

● Myanmar

The new administration that took over in March 2011 has been implementing reforms for transitioning to a market based economy and democratization and reconciliation with the people of Myanmar. On January 30, 2013, a debt relief measure was implemented that was a requirement for the resumption of full-scale aid to Myanmar. To support reforms enacted by the

government of Myanmar, JICA has an economic cooperation policy with emphasis on three areas. First is assistance for improving the lives of the people of Myanmar. This includes support for ethnic minorities, upgrading agricultural technologies, improving health care systems and building infrastructure in areas other than large cities. Second is assistance for enhancing the capacity of people who play key roles in economic activities and establishing economic systems. One element is Assistance for Economic Reforms [\[> See the Case Study on page 25\]](#). This aims to help create policies for economic reforms with emphasis on economics and finance; trade, investments and SME growth; and agriculture and rural development. Other activities for this area modernizing the financial sector, establishing legal systems to encourage overseas investments, and using the Japan Center and university support to create more employment opportunities. In addition, JICA dispatches advisors for policy making of

Case Study Myanmar Assistance for Economic Reforms

Support for Activities in Myanmar for Economic Reforms

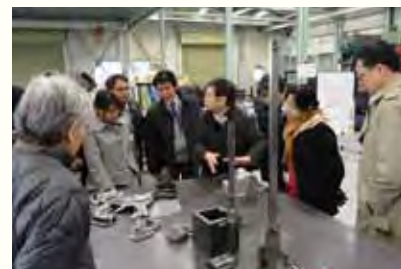
In Myanmar, where the new administration faces many issues, JICA is assisting in human resources development to help in enacting economic reforms.

In Myanmar, where a new administration was formed in March 2011, many reforms are being enacted to achieve democracy and a market-based economy. However, many problems must be overcome. Examples include the financial burden on government-owned companies, old financial institutions, import and export systems that restrict trade, and an agricultural sector that needs modernization.

JICA started the Economic Reform Program in fiscal 2011 as part of its assistance to Myanmar for implementing economic reforms. The program has three pillars: economy and finance; trade, investment and SME growth; and agriculture and rural development. The objective is to give Myanmar government officials and private-sector individuals more knowledge that is needed for economic development activities.

In fiscal 2011, 30 government officials came to Japan for training and 31 officials underwent training in Japan in fiscal 2012. There were classes on events in Japan and other Asian countries as their economies grew. Trainees visited government ministries and agencies, local governments, and companies and there were opportunities to exchange ideas. All activities were selected to increase the participants' know-how for driving economic development in Myanmar. The upcoming Economic Reform Program will supply support to enable Myanmar to continue making steady progress with these reforms. For example, there will be human resources development, joint research activities using individuals in Japan and Myanmar, and other activities that address specific issues involving the three pillars.

In addition to the Economic Reform Program, JICA uses a variety of training and the dispatch of experts for the development of young people who will play key roles in nation-building. These activities are expected to contribute to Myanmar's economic development as well as deepen ties between Myanmar and Japan.



Training program participants from Myanmar visit a factory in Japan.

Myanmar government including the Ministry of National Planning and Economic Development. Third area is assistance for development of infrastructure and related systems necessary for sustainable economic development. This includes the development of greater Yangon, upgrade of transportation and telecommunication systems, and improvement of the electric supply.

In January 2013, JICA dispatched its first Senior Volunteers (medical care field) to Myanmar. There are expectations for more support for Japanese Overseas Cooperation Volunteer programs involving culture, sports and many other fields.

● Viet Nam

Since restarting ODA to Viet Nam late in 1992, Japan has been consistently ranked as this country's largest source of ODA. In January 2013, Japanese Prime Minister Shinzo Abe visited Viet Nam as his first overseas trip as prime minister. The leaders of the two countries agreed to further develop their "Strategic Partnership" and strengthen their cooperation. Currently, Viet Nam is attracting attention as a location for manufacturing as well as a consumer market so many Japanese companies operate in this country or are starting operations. In addition, there are increasingly strong mutually cooperative relationships between universities, local governments, NGOs and other organizations. As a result, the relationship between Japan and Viet Nam is advancing on many levels.

Becoming an industrialized country by 2020 is the main pillar of the national agenda of Viet Nam. The country has advanced to a new stage of development with the goal of becoming a developed country. There are three central elements: institutional development, human resources development and infrastructure development. JICA believes that the period from now to 2018, when tariffs will be eliminated due to the ASEAN economic integration, will be a critical period for Viet Nam. This is why JICA is extending multilayered cooperation with emphasis on "Accelerating Growth and Strengthening Competitiveness", "Responding to Vulnerabilities for Inclusive Development" and "Good governance." In 2012, JICA continued to provide cooperation including human resource development for transportation, electricity and other economic infrastructure projects. In addition, JICA is providing cooperation involving reforms of state-owned companies to strengthen the market economy and for amendments to the constitution which are essential to the national governance. Through these activities, JICA is providing rapid and comprehensive cooperation for the new issues of Viet Nam.

● Timor-Leste

Timor-Leste celebrated the 10th anniversary of its independence in May 2012. In August in the same year, the Fifth Government was formed after the success of the General Election. The UN Mission left the country in December 2012 in recognition that peace has been established in the country. Timor-Leste is now in a critical phase of its development

process toward becoming completely self-reliant.

There are currently several urgent issues in Timor-Leste; developing leading industries to reduce the overreliance on revenue from oil, creating more job opportunities and developing human resources in order to achieve these goals. To deal with these issues, JICA has developed three cooperation programs; Establishing a foundation for promoting economic activities, agriculture and rural development, and the capacity development of the Government and the public sector.

In 2012, as a commemorative event for the 10th anniversary of diplomatic relations between Japan and Timor-Leste, the Osaka Gas Group, Timor-Leste National University (UNTL) and JICA agreed to jointly conduct a human resources development program. An official agreement was signed in September 2012.

● Malaysia

The Malaysian government announced the New Economic Model in March 2010 and is now putting forth its efforts to join the ranks of developed countries (GNI of \$15,000 to \$20,000) by 2020. Several issues must be resolved in order to achieve this goal: transformation into a high value-added economy; harmonisation of development and environmental protection; equal education and working opportunities; and protection of the socially vulnerable.

In Malaysia, JICA's cooperation is focused on three priority areas: 1) Supporting a balanced development toward Malaysia becoming a high-income nation; 2) Responses to common issues in East Asian region; and 3) a Japan-Malaysia Development Partnership beyond the East Asia region.

JICA is implementing projects in following fields: development of human resources for industry with advanced technological skills, higher education for utilizing advanced scientific technologies, infrastructure development, protection of socially vulnerable people (support for individuals with disabilities), and cooperation for environmental conservation including climate change measures. JICA is also assisting with the regional issues of upgrading ASEAN connectivity in the field of customs and maritime security and South-South cooperation among the ASEAN, African and Islam countries.

● Singapore

Singapore, which "graduated" from JICA's ODA in fiscal 1998, and Japan have been cooperating with each other as partners carrying out approximately 10 to 15 training courses a year mainly for other ASEAN nations under the Japan-Singapore Partnership Programme (JSPP) since 1994. By fiscal 2012, 326 courses had been conducted with the participation of 5,650 individuals from 93 countries. In JSPP, courses are conducted in many fields. For example, a training program involving customs operations was started for Myanmar in fiscal 2012, which is making progress with democratization and economic liberalization.

The Pacific

Cooperation Focused on Dealing with Small Size, Isolation and Remoteness Issues

The countries of the Pacific Region have a number of common characteristics. They have small-scale domestic markets due to limited land areas and populations (small size), are comprised of many islands separated by vast expanses of ocean (isolation) and have poor access to international markets (remoteness). In addition, this region is vulnerable to natural disasters and the effects of climate change as well as environmental issues associated with modernization. Furthermore, countries in the Pacific Region have very little resilience to economic crises such as sharp increases in the price of fuel or food.

Taking the situation of each country into consideration, JICA is providing a wide range of cooperation to overcome their priority issues. JICA is also extending region-wide cooperation to address common concerns throughout the region, such as disaster risk management and the environment.

Key Aid Strategies

Providing Cooperation Unique to Japan by Leveraging National Knowledge and Experience

JICA provides assistance to the following members of the Pacific Islands Forum (PIF): Fiji, Kiribati, the Marshall Islands, Micronesia, Nauru, Palau, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Tuvalu, Vanuatu, the Cook Islands and Niue.

The island countries of the Pacific have become import-dependent economies under the influence of the influx of modern economic and cultural influences. This shift away from their traditional self-sufficient economies has resulted in large trade deficits in many countries. Countries must also deal with such environmental issues as environmental pollution and global warming posed by uncontrolled development.

Furthermore, their inadequate transportation infrastructure renders it impossible to deliver such social services as education and healthcare to the many scattered small islands of their countries. These problems have made it difficult to achieve social and economic development and become self-reliant.

JICA is providing cooperation to these island states to address common issues while paying due regard to the uniqueness of each country. In this case, JICA's approach to cooperation involves dispatching experts to key countries to create development models that suit common regional needs. These models are then extended to neighboring countries

Special Feature

Program Goals and Overview

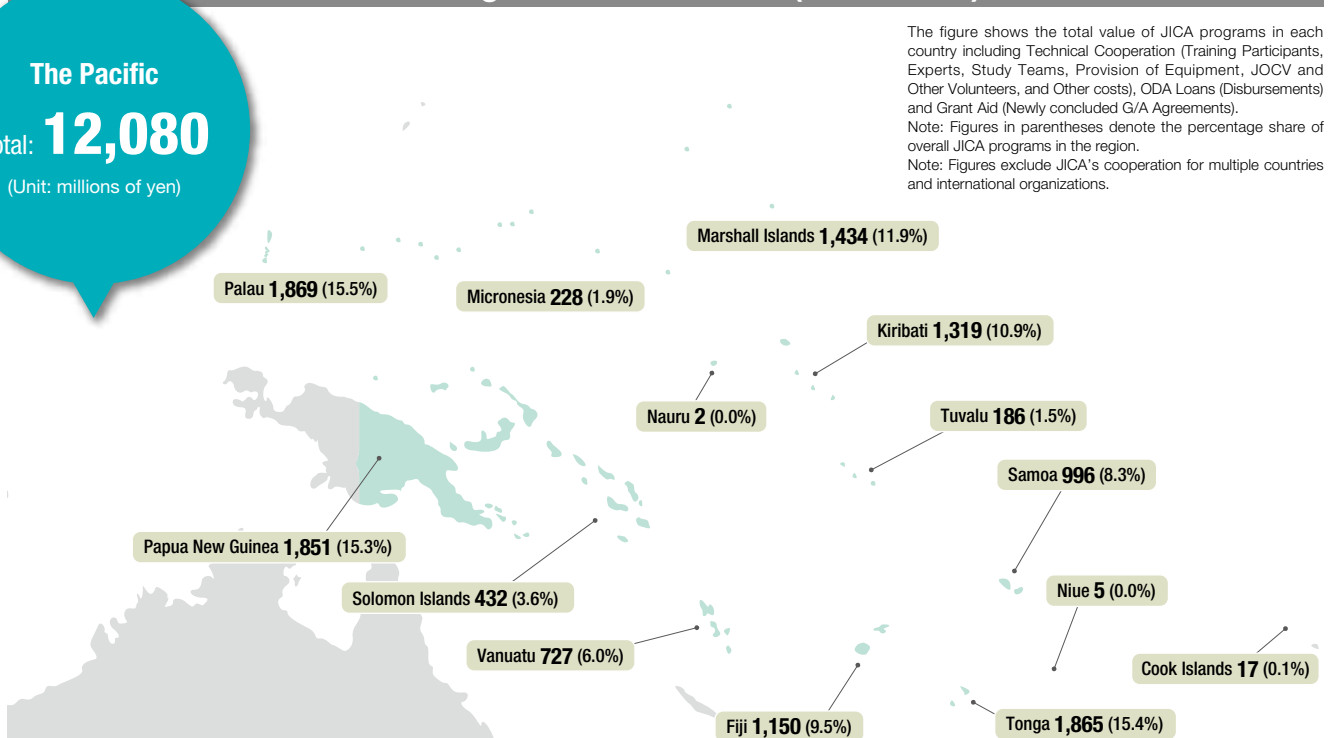
Concrete Initiatives

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JICA Programs in the Pacific (Fiscal 2012)



The figure shows the total value of JICA programs in each country including Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other Volunteers, and Other costs), ODA Loans (Disbursements) and Grant Aid (Newly concluded G/A Agreements).

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Note: Figures exclude JICA's cooperation for multiple countries and international organizations.

through such schemes as third-country training programs. As declared as important at the Sixth Pacific Islands Leaders Meeting (PALM6) of May 2012, JICA is also providing cooperation that leverages national knowledge and experience, such as Okinawa's experience in overcoming issues unique to islands (See the Case Study).

Priority Issues and Activities

Protecting the Environment

Waste management is a problem common to the small islands of the Pacific Region. Since 2000, JICA has aided Samoa in its efforts to improve waste disposal sites and enhance management and operation capabilities. After that, JICA has also aided activities in neighboring countries for improving waste management practices. Since 2011, JICA has provided aid for developing sustainable waste management systems and human resources to 11 countries in the region in cooperation with the Secretariat of the Pacific Regional Environment Programme (SPREP).^{*} Cooperation is provided at the regional level and the individual country level toward the implementation of the Solid Waste Regional Strategy 2010-2015, a common regional goal. By conducting these activities, JICA is assisting in a reduction of the environmental impact of human activity and helping to establish a sound material-cycle

^{*}SPREP: An organization consisting of 21 Pacific island countries and Australia, France, New Zealand and the United States.

society on these islands.

Focusing on the oceans around the islands, the people of the Pacific can be said to depend heavily on coral reefs for a variety of things, such as marine and tourism resources and disaster protection. However, in recent years, their coastal ecosystems are being progressively damaged by multiple factors, including overfishing, environmental pollution from coastal area development and the impact of climate change. Through the dispatch of experts to the University of the South



Japanese expert and counterpart carry out a coral reef study in Palau.

Case Study Pacific Region Providing Aid through Cooperation with Local Governments

Cooperation Utilizing the Experience of Okinawa Prefecture

In May 2012, the Sixth Pacific Islands Leaders Meeting was held in Nago City, Okinawa Prefecture. At this gathering, it was announced that because of Okinawa's similar geography and climate, its knowledge and experience would be utilized in the development of the Pacific island countries. Following up on this decision, in March 2013, Okinawa Prefecture and JICA signed a comprehensive collaboration agreement, agreeing to further strengthen their cooperation.

For people living on islands, obtaining a stable supply of safe drinking water is a matter of life or death. Based on its collaboration with Miyakojima City in Okinawa, JICA provided cooperation to Samoa regarding water system operations. Cooperation was supplied in the form of introducing a model filtering system based on a biological organism purification method. Miyakojima City actually uses the method itself and has a great deal of experience with this island-oriented solution. Samoa has given the method high marks for its ease of maintenance and management.

Recently, deciding how to overcome such problems as waste management in Pacific island nations that are emerging along with urbanization and changes in lifestyles has become an urgent issue because of their vulnerability to environmental problems. In Tonga, JICA is reducing the amount of waste through the What a Waste of Beautiful Vava'u Island Movement Project with the cooperation

of Naha City in Okinawa Prefecture and the Okinawa Citizens Recycling Movement. Toward solving the waste management problem of its island, Naha City has reduced the amount of waste it produces by about 30% with the cooperation of its residents. This know-how is being put to use in providing aid in establishing a recycling system on Tonga.

In recent years, the coastal ecosystems of coral reefs that surround each island nation have been experiencing deterioration from multiple factors, including overfishing, environmental pollution and the impact of climate change. In cooperation with the

University of the Ryukyus, JICA is supplying aid related to achieving proper preservation and management of coral reef ecosystems in Micronesia. Its base for this program is the Palau International Coral Reef Center.



Educating local residents about recycling

Pacific, JICA is cooperating with Fiji and such neighboring countries as Vanuatu, Samoa and Tonga in achieving sustained preservation and management of their coastal resources. In Micronesia, JICA is using the Palau International Coral Reef Center as its base for an aid program aimed at improving coral reef ecosystem research capabilities and sustainable preservation management. The program is being carried out jointly with the University of the Ryukyus and the Japan Science and Technology Agency (JST).

Natural Disasters and Climate Change

Countries in the Pacific Region are highly vulnerable to damage from such natural disasters as cyclones, earthquakes, tsunamis, and floods. Communications and transportation are limited due to the large number of remote islands, which makes it difficult to provide residents with disaster warnings as well as to deliver emergency aid.

JICA is combining Technical Cooperation, Grant Aid and other cooperation to reinforce the disaster prevention measures of the entire region. One specific area of cooperation involves enhancing weather observation and forecast and warning capabilities. JICA is cooperating on a program that gathers experts from each of the regional countries to participate in training at Fiji's Meteorological Service. JICA is also providing cooperation for weather observation facilities in Samoa and for other activities. In Tuvalu and the Solomon Islands, JICA assists with setting up radio broadcast networks for disaster information to give residents quick access to the information. In Fiji and the Solomon Islands, cooperation takes the form of creating a system that enables residents to evacuate properly according to information received. Overall, JICA is supplying a broad range of cooperation for disaster prevention in the region.

Pacific island states also are vulnerable to the effects of climate change. In particular, Tuvalu and other low-lying coral reef countries are vulnerable to sea level rise and other events associated with climate change. With the cooperation of the University of Tokyo and JST, JICA is providing Science and Technology Cooperation for bioengineering research concerning the mechanism by which coral reefs, foraminifera and other organisms produce, transport and pile up sand.



A Solomon Islands community practices an evacuation exercise for disaster prevention.

Transportation Infrastructure

For Pacific Region countries with territories covering a vast area of ocean, transportation infrastructure to ferry people and cargo back and forth is essential. From the perspective of providing access to education and medical services, transportation infrastructure is truly a lifeline for these countries. Up to now, JICA has provided Grant Aid for rehabilitation of harbors and provision of passenger and cargo vessels in Micronesia, Marshal Islands, Samoa, Tuvalu, Tonga and other countries in this region. In June 2012, JICA signed a loan agreement with Vanuatu as its first ODA Loan, which is to be used for the construction of an international cargo wharf in Port Vila, its capital.



Ferryboat operating out of Tonga

Social Services

Because many countries in the Pacific Region lack the proper supply and storage systems to ensure safe immunization programs, they require the establishment of a "cold chain" to provide refrigerated supplies of vaccines. Toward that goal, in 2004, JICA committed itself jointly with the World Health Organization (WHO) to cooperation for the Project for Strengthening Expanded Programme on Immunization in Pacific Region. Since then, JICA has been aiding with the dissemination of technology and human resource development related to the management of immunization projects and vaccines in the Pacific Region.

Limited access to education is a serious issue for remote areas and islands. JICA is providing cooperation in the region to increase opportunities for and the quality of education through the use of television, radio and satellite communication networks, and other methods. Through Grant Loans and Technical Cooperation, JICA is assisting with the establishment of an information and communication technology (ICT) center and the nurturing of ICT staff at the University of the South Pacific, which was established by 12 Pacific Region countries. Among other examples, in Papua New Guinea, where the primary education enrollment rate is low, JICA has constructed a national education media center and provided aid for the production of educational programs. Aid has also been given for delivering model school classes via television to elementary and junior high schools in other areas of the country.



A Kyrgyz Republic farming family stripes unnecessary leaves from harvested nappa cabbage to prevent the vegetables from drying out. [Photo by Shinichi Kuno]



Manager Interview

East Asia and Central Asia

Kae Yanagisawa
Director General
East and Central Asia and
the Caucasus Department

Assistance Customized to Each Country and to Vitalizing Private Sector

In East Asia, JICA is expanding its assistance to Mongolia that is experiencing rapid economic growth, while concentrating on mutually beneficial cooperation in China. In Central Asia and the Caucasus, JICA is providing assistance that matches conditions of each country, while also assisting in infrastructure development that promotes intra-regional cooperation. This strategy addresses the polarization of the income levels between resource-rich and resource-poor countries in Central Asia and the Caucasus.

Since the start of the new millennium, Mongolia's economy has been growing steadily, supported by mineral resources and other factors. In 2011, the country's annual economic growth rate exceeded 17%. In 2012, Mongolia issued its first-ever government bonds (Genghis bonds), beginning to mobilize funds through means other than foreign assistance. On the other hand, new challenges have emerged as a result of this rapid growth. Against this backdrop, we have placed our priorities on the sustainable development of the country's mining sector and strengthening its governance, the diversification of industrial structure and the improvement of basic social services, and strengthening the functions of Ulaanbaatar City. In 2012, the construction of an elevated bridge, nicknamed the Sun Bridge, was completed under Japan's grant assistance, winning acclaim from the Mongolian people for the high-level of Japanese technology. The bridge is expected to reduce traffic congestion in Ulaanbaatar City.

In Central Asia and the Caucasus, disparities have been widening between resource-rich countries, such as Kazakhstan, Uzbekistan and Azerbaijan, and countries still lagging behind such as Tajikistan and the Kyrgyz Republic. We developed implementation strategies for each country during fiscal 2012, and endeavored to provide highly customized assistance based on conditions and priorities in each country. At the same time, we attach importance to electric power and transport

infrastructure with a mind to reinforcing regional connectivity.

We are also promoting collaboration with Japanese companies in order to vitalize private sector in the region. To this end, we organized investment seminars on Mongolia and the Caucasus region during fiscal 2012.

In fiscal 2013, we will strive for formulating projects to strengthen higher education in Mongolia, so that the sector can be the engine of economic growth. Another target is to reduce disparities in the country. Moreover, construction of a new international airport is currently ongoing under a loan from Japan. In Central Asia and the Caucasus, our priorities will be on such areas as agriculture and rural development with a view to strengthening value chain, and the development of transportation infrastructure. We will continue to utilize Japan Centers to develop human resources in businesses. To develop private sector, we will also promote cooperation with Japanese small and medium-sized enterprises (SMEs) and BOP* businesses.

In China, taking into consideration the state of economic development of the country, we will cooperate in selected areas that both China and Japan commonly face, or have direct influence on Japan, such as cross-border air pollution and infectious diseases. In doing so, we will utilize our experiences and assets of the past cooperation with China.

*BOP: Base of the Economic Pyramid (People living in poverty with income below US\$3,000 a year).

East Asia

Strengthening of Strategic Partnerships Aiming for a Mutually Beneficial Relationship

East Asia contains China—a country dealing with numerous issues including environmental problems resulting from its dramatic economic growth—and Mongolia, which is pursuing rapid development underpinned by its abundant mineral resources. The sound and sustained development of these countries has become increasingly important for Japan as well as the world.

JICA's cooperation in this region is contributing to building stronger economic relationships with China and Mongolia that are both reciprocal and mutually complementary. Furthermore, as China becomes increasingly influential as an emerging donor, JICA is promoting dialogues, seminars and other measures to strengthen collaboration with China as fellow donor nations.

Special Feature

Program Goals and Overview

Concrete Initiatives

Cooperation Modality

Operation, Management and Evaluation

Data and Information

Key Aid Strategies

Support Regional Stability and Growth That Is Sound and Sustained

● China

The Government of Japan established the Economic Cooperation Program for China in October 2001 with emphasis on six sectors. Based on China's economic growth and technological progress in recent years, JICA is currently concentrating on the following three priority areas. Cooperation is extended with regard to shared challenges faced by both countries (for example, measures against cross border pollution, yellow sand, and infectious diseases, and the resolution of other such issues, as well as the creation of systems and standards to increase performance forecasts for companies entering the Chinese market) and promoting mutual understanding at multiple levels.

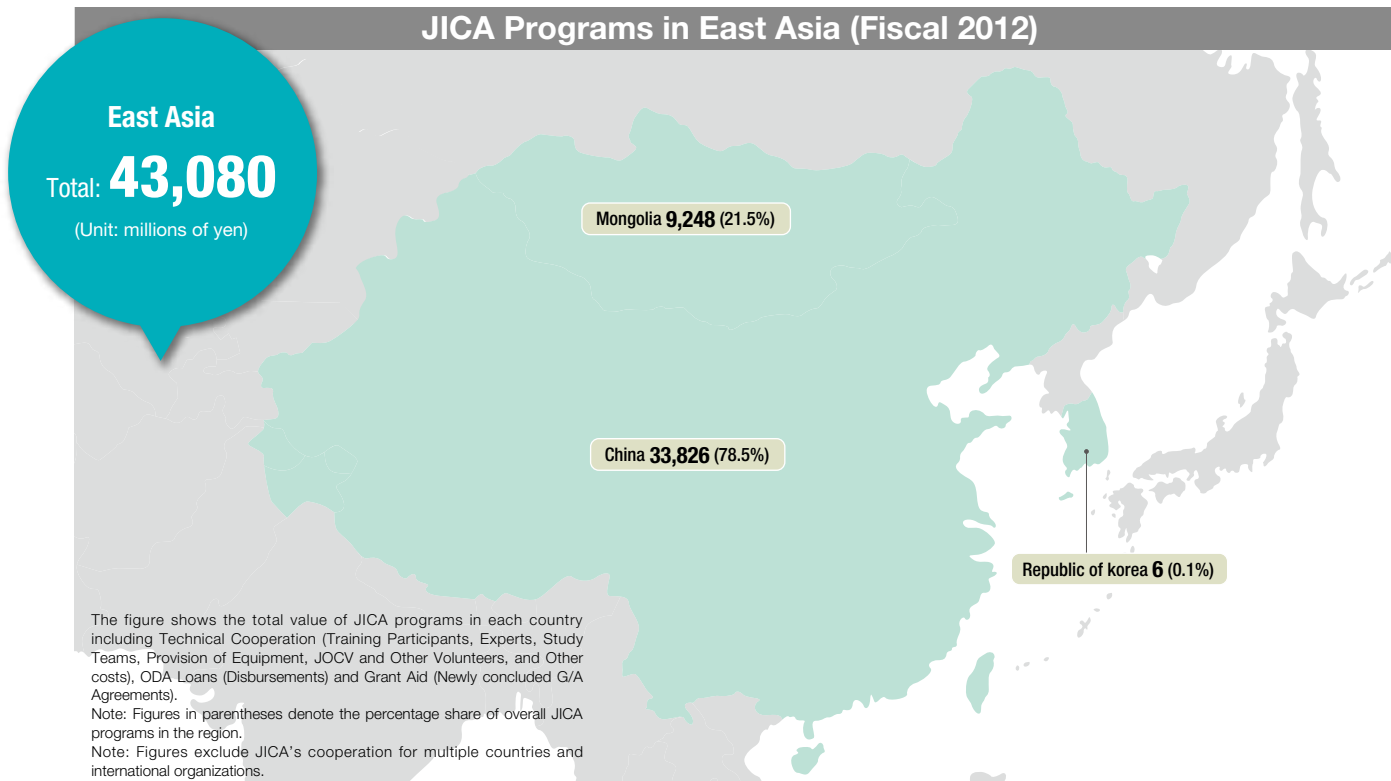
- (1) Cooperation to confront global issues such as infectious diseases and environmental problems
- (2) Assistance for the open and reform policy (including promotion of good governance)
- (3) Promotion of mutual understanding

● Mongolia

JICA is focusing on cooperation on areas in accordance with the three priority areas stated in the Mongolia Aid Policy announced in April 2012.

- (1) Sustainable development of the mining sector and enhancement of governance: Establish systems and train personnel to achieve sustainable development of mineral

JICA Programs in East Asia (Fiscal 2012)



resources, the key element of Mongolia's economic advancement, as well as establish systems for the proper management of revenues from natural resources.

- (2) Assistance for inclusive growth: Create employment primarily at SMEs and smaller companies to diversify industrial activities, and improve basic social services.
- (3) Enhancement of the capacity and function of Ulaanbaatar as an urban center: Improve the city's infrastructure facilities, and upgrade urban planning and management capabilities.

Country Overviews and Priority Issues

Major projects in this region for priority issues are as follows.

● China

The Project for Total Emission Control of Nitrogen Oxide in Atmosphere: Based on Japan's experience with pollution, this project aims to find ways to reduce the emissions of nitrogen oxide, a causative agent for 2.5 micron particulate matter

(PM2.5) that, among airborne particles, is particularly damaging to health. To that end, the project is investigating technological measures and public policies and systems and spreading the use of practical control technologies and methods.

● Mongolia

New Ulaanbaatar International Airport Construction Project: Construction of a new airport in Ulaanbaatar will improve the safety and reliability of air access for the capital city and provide greater convenience for travelers, contributing to further economic development in Mongolia.

Project for Capacity Development of Business Persons through Mongolia-Japan Center for Human Resources Development: In this project, JICA provides professional development training through the Mongolia-Japan Center for Human Resources Development, constructed through Grant Aid, to nurture individuals who can play key roles in the creation of a market economy. The center offers business courses and provides assistance to SMEs and microenterprises.

Case Study Mongolia Boosting Ulaanbaatar's Ability to Deal with Air Pollution

Aid for Restoring Clean Air in Ulaanbaatar

The city of Ulaanbaatar has the world's second worst air pollution (WHO survey). With residents actually suffering harm from the air pollution, urgent measures are needed to deal with the problem. With the goal of boosting Ulaanbaatar's ability to deal with its air pollution, JICA is providing aid to improve capabilities in technology that require advanced expertise and to strengthen administrative capabilities required for introducing systems for air pollution control.

The air pollution in Mongolia's capital city of Ulaanbaatar comes mainly from the emission gases of power plants, heating boilers and cars. The electric power stations are thermal-fired and old. Inefficient boilers and stoves burn large amounts of coal for heating purposes during winter, when temperatures can drop to as low as minus 30 to 40°C. In addition, the city's seriously congested streets contribute to high levels of automobile emissions.

Despite these conditions, there was no understanding of just how much these sources were affecting air pollution in the overall city or what measures were needed to deal with the problem.

At the request of the Mongolian government, JICA began full-scale work on a project in March 2010 to address the issue. To start with, JICA's priority on this project was to pave the way for implementing air pollution measures by improving the technological and administrative capacities of Mongolian institutions to measure and manage the air pollution in the city.

Specifically, JICA provided aid for measuring emission gas density and cataloging sources of pollution and transferred technology that requires advanced expertise, such as atmospheric dispersion simulations. As a result, based on the data they collected, the Mongolian government slowly began to get a clear picture of how much each source was contributing to the pollution. Moreover, JICA recommended measures for pollution-related facilities based on technical analysis. This process has yielded concrete results because the Ulaanbaatar City Council has approved several of the recommendations for implementation. JICA also placed emphasis on creating a system for registering boilers and other facilities to enable public administrators to determine and control sources of pollution and building a framework within which administrative agencies, private

sector businesses and university and research centers could cooperate on air pollution measures.

However, actually improving the air quality requires a change in related government strategies and large investments. Sources of pollution need to install emission control equipment and convert their fuel combustion systems to cleaner systems. In addition, infrastructure establishment and urban planning, including management of land usage, must be reviewed.

Restoring clean air to Ulaanbaatar will require making recommendations for measures determined on a scientific basis and getting them actually implemented. For that purpose, JICA will continue to provide cooperation aimed at further boosting Mongolia's ability to deal with air pollution.



Black smoke being emitted by electric power station



Measuring emission gas density in smoke stack

Central Asia and the Caucasus

— An Internationally Spotlighted Resource-Rich Region Newly Open to Asia and Europe

The Central Asia and the Caucasus region, located in roughly the center of the Eurasian continent, comprises five Central Asia countries—Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan—and three Caucasus countries—Armenia, Azerbaijan and Georgia that gained their independence from the former Soviet Union in 1991.

Achieving balanced development of the entire region is an important global issue because of the increase in economic disparities within this region. Furthermore, Afghanistan, a country that is still unstable, is located nearby.

Special Feature

Program Goals and Overview

Concrete Initiatives

Cooperation Modality

Operation, Management and Evaluation

Data and Information

Key Aid Strategies

Supporting Intra-Regional Cooperation for Stable Economic Development

In this region, JICA is concentrating on intra-regional cooperation and the promotion of democracy and market economies. Cooperation priorities are: (1) programs for improving the electric power and transportation infrastructures in the Central Asia and (2) programs to enhance market economies by activating the private sector.

contributes to expanding the private sector by nurturing human resources for businesses and other measures through the Uzbekistan-Japan Center for Human Development; and (3) providing cooperation in the priority fields of strengthening water use associations and improving water resource management, which raise incomes in rural areas, and expanding and improving healthcare and education.

Country Overviews and Priority Issues

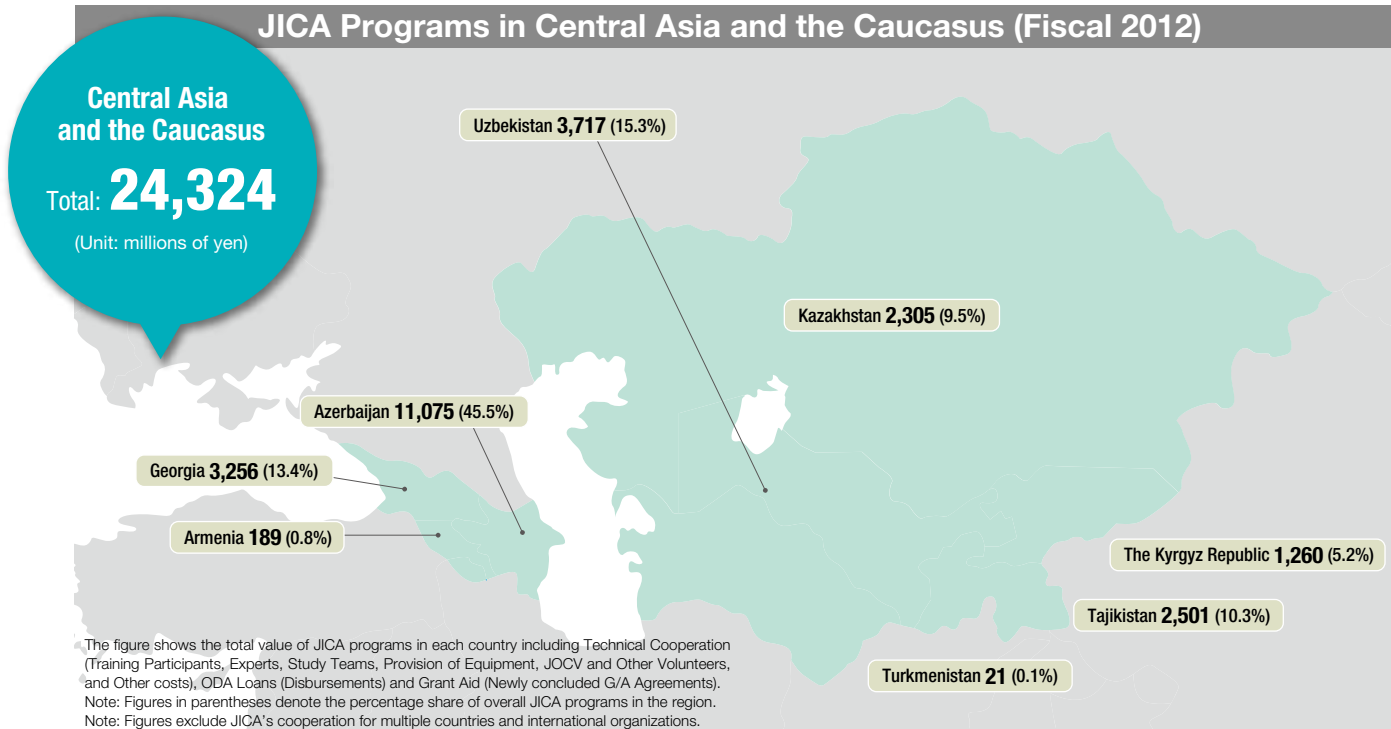
● Uzbekistan

Uzbekistan maintains a robust economic growth rate underpinned by the high international commodity prices of natural resources, such as natural gas and gold. To ensure the country's continued firm development, JICA is providing aid in three sectors: (1) improving and building economic infrastructure, such as modernizing thermal electric power stations and constructing new railway lines; (2) supporting human resources development and system-building that

● Kazakhstan

Kazakhstan is endowed with abundant natural resources, including the world's second largest uranium reserves. Seeking to change its resource-dependent economic structure, the country is pursuing industrial diversification to achieve balanced and sustained economic growth. With an eye to strengthening business relationships between Kazakhstan and Japan, JICA is assisting in development of business persons through the Kazakhstan- Japan Center for Human Development and building economic infrastructure that serves as a foundation for

JICA Programs in Central Asia and the Caucasus (Fiscal 2012)



industry. Utilizing Japan's knowledge and technology, JICA is also providing aid for human resource development in the fields of disaster prevention/management and energy conservation.

● Tajikistan

Neighboring on Afghanistan, Tajikistan is positioned on the juncture between Central Asia and Southwest Asia. Following a civil war after its independence from the former Soviet Union, the country has been working on achieving economic and social stability while enacting structural reforms. JICA's basic policy is to assist the departure from poverty and transition to growth path by building a foundation for sustainable economic growth through the correction of living standard disparities and building of infrastructure. JICA priority areas for assistance include improving rural development including essential social services in Khatlon Province bordering on Afghanistan and establishing transport and small-scale electric power infrastructure at the crossroads between Central Asia and Southwest Asia.

● The Kyrgyz Republic

After its independence from the former Soviet Union, the Kyrgyz Republic was one of the earliest countries in the region

to actively pursue a market economy. However, a mountainous country with few significant natural resources other than gold, the Kyrgyz Republic has been unable to attain stable economic growth. The goal of JICA's assistance is to achieve "Economic development and poverty eradication by strengthening export competitiveness and Promoting Business." With that in mind, JICA is focusing on the priority fields of developing agriculture and business and building transportation infrastructure. Among other areas, JICA is providing aid such as the One Village One Product Project, joint forest management, human resource development for the business sector through the Japan Center for Human Resource Development and strengthening road administrative and maintenance capacity.

● Turkmenistan

In recent years, Turkmenistan has been strengthening ties with the United States, Europe and neighboring countries, with its economy supported by large reserves of natural gas. JICA's cooperation concentrates mainly on supporting the development of the economy and society through training that enables government officials to learn about Japanese experiences. Training is provided in such fields as

Case Study Revitalizing Sericulture in Uzbekistan

Collaborating with University to Provide Wide-Ranging Aid for Revitalizing Sericulture in Uzbekistan

As one of the transit points on the Silk Road, Uzbekistan has had a silk industry since ancient times. However, the country's thread technology has not kept up with the times since the dissolution of the Soviet Union and its number of internationally competitive raw silk and silk fabric products is falling. Furthermore, in recent years, cocoons produced from low-grade foreign-bred silk worms are being exported to China at low prices. This trend is reducing the revenues of the silk industry making it increasingly difficult to continue traditional silk production in Uzbekistan.

To address these issues, JICA has been extending cooperation to Uzbekistan since 2009 in revitalizing their sericulture industry in collaboration with Tokyo University of Agriculture and Technology.

Although Uzbekistan continues to achieve solid economic growth, improving incomes in rural areas and regional disparities remain issues. For that reason, revitalizing sericulture—done by farmers in between growing cotton, Uzbekistan's major domestic industry—is extremely important. Lending a hand with reviving the silk industry is Tokyo University of Agriculture and Technology, famous for its research on sericulture and silk reeling.

Graduates from that university were dispatched as JICA senior overseas volunteers to Uzbekistan's national sericulture research institute. Receiving recommendations from the university based on the serious condition of sericulture in Uzbekistan, JICA initiated Revitalization of the Silk Road Silk Industry in Uzbekistan—Developing a Rural Income Generation Model by the Improved Sericulture in Fergana Valley as a grassroots Technical Cooperation project in 2009.

The project replaced the conventional strains of silk worms, progressive mixing of which with foreign strains had lowered quality.

Introducing Japanese sericulture technology and providing guidance to improve feeding methods, the project contributed to raising the income of silk farmers. To raise awareness of Uzbekistan's traditional Atlas silk fabric in Japan, The project held a design contest for products using this silk fabric. The most outstanding of the approximately 300 bags and other products submitted were displayed in many places in Japan. Moreover, as a steppingstone to development of the market, The project began selling Atlas silk products at One Village, One Product markets in Narita International Airport and Kansai International Airport in Japan.

Taking into account the results, in March 2013, JICA started a new project as the next step in the process. The project involves the development and management of a high quality strain based on the transfer of such Japanese sericulture technology as managing the original strain and distinguishing male from female; establishment of an autonomous production system, from egg collection to supply of larvae; the set up, management and planting of the mulberry fields that provide the larvae with food; application for mulberry

materials (scrap wood); and development of instructors. JICA plans to continue to provide a wide range of aid through the spread of Japanese sericulture technology and industry promotion to improve the lives of residents of rural areas of Uzbekistan.

A View from Our Partner

Project representative

Sericulture can produce harvests in a single month, making it a good side-business for farmers.

Putting the spotlight on high quality raw silk and silk products, we are looking to transfer the technology from successful cases in the east area of the country to other areas. As a result, there is hope that we can improve the sericulture technology of Uzbekistan and increase the revenues of sericulture farmers.



Locally raised cocoons



Atlas Design Contest product

transportation, healthcare, agricultural development and promotion of small and medium-sized enterprises (SMEs).

● Azerbaijan

With large reserves of oil and natural gas driving continued economic growth, Azerbaijan has built up its international standing as a natural resource exporter to neighboring countries and Europe. However, the country needs to diversify its industries to achieve sustainable economic growth. Focusing on renewing economic and social infrastructure indispensable for maintaining economic growth, JICA is providing aid for the construction of a power plant near the capital of Baku, the construction of water and sewer systems in provincial cities and building foundations for agriculture. In addition, JICA is assisting with developing human resources to support industrial development.

● Armenia

Linking Central Asia, the Caspian Sea region and Europe, Armenia has proactively pursued democratization and a market economy since its independence from the former Soviet Union.

Given the dilapidated infrastructure built during the Soviet era and the country's location in an earthquake zone, one of the issues facing Armenia is strengthening disaster reduction measures. Therefore, JICA is focusing on assistance for economic infrastructure, rural development and strengthening disaster reduction measures, guided by a basic policy of achieving balanced, sustainable economic growth in Armenia.

● Georgia

Situated at the crossroads of Asia and Europe, Georgia is becoming increasingly important as a route for exporting Caspian Sea oil and gas into Europe. Georgia's issues, therefore, revolve around leveraging its geographically advantageous position to develop its trade and transportation industries and to foster the export industry. JICA is giving priority to building economic and social infrastructure and developing human resources as a base for economic development. Among aid efforts, JICA is providing assistance with the improvement of the East-West Highway, the major transport route, and with building up the business environment through training courses.

Case Study Joint Forest Management in the Kyrgyz Republic

Forest Management Agency, Local Government and Forest Users Work to Protect and Cultivate Forests

During the 1940s and 1950s, the forested area of the mountainous Kyrgyz Republic was substantially reduced by large-scale logging, which also lowered the quality of the forests. Since fiscal 2008, JICA has been cooperating with strengthening a system for implementing the Kyrgyz Republic government's targeted joint forest management (JFM).

Compared with a total area of approximately 1.19 million hectares in 1930, the forested area of the Kyrgyz Republic fell to about 0.62 million hectares at one point in later years. However, since 1960s the forested area has been slowly expanding, with the pace of growth steadily rising since the country's independence in 1991 because of the government's reform of the forestry business. Nevertheless, due to financing difficulties and the lack of manpower, the government has not been able to adequately implement proper forestry management. Consequently, there is concern that the quality of the forests is further declining.

Since 1995, the government of the Kyrgyz Republic has been establishing a legal framework regarding forests with the aid of a Swiss donor and proceeding with such reforms as privatizing the state-owned forestry business. As part of that process, the government has introduced joint forest management (JFM). In JFM, a forest management agency, local government and forest users work together to efficiently operate the forestry business in what is called a "triangular approach." To increase its effectiveness, the Kyrgyz Republic government requested JICA's cooperation in improving the capacity of related institutions and in strengthening the implementation system.

In January 2009, JICA initiated a five-year project jointly with the State Agency for Environmental Protection and Forestry and local governments. The project is the first case of bilateral Technical Cooperation in the forestry

sector in Central Asia.

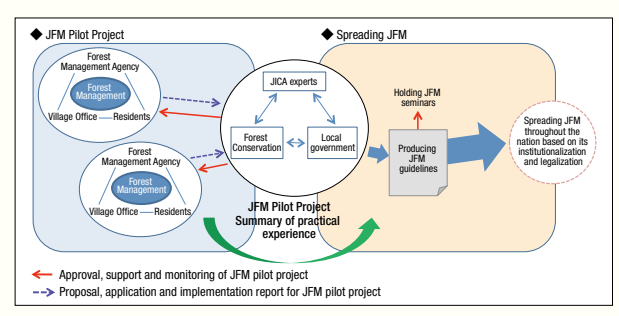
The project objective is to strengthen the framework for spreading the use of JFM through such actions as the dispatch of forest management experts, holding courses for trainees in Japan and providing basic water supply equipment. Through this process, JICA is creating a system whereby local governments and forest users can participate in the decision-making process. Moreover, JICA produced a guideline on promoting forest management by those making a livelihood from the forests and other themes and held seminars and workshops to spread the use of the guidelines with the intent of increasing acceptance and application by the related institutions. At this point, JFM pilot projects have been set up in Chuy, Issyk-Kul and some other provinces. To promote the autonomy and independence of each project, JICA is providing aid based on the operation of the forestry business being carried out using the combined ideas of the forest management agency, local government and forest users.

In the pilot projects, 300 hectares of land were newly planted with trees and managed in a way that increased the incomes of the local residents. The JFM model of three-party

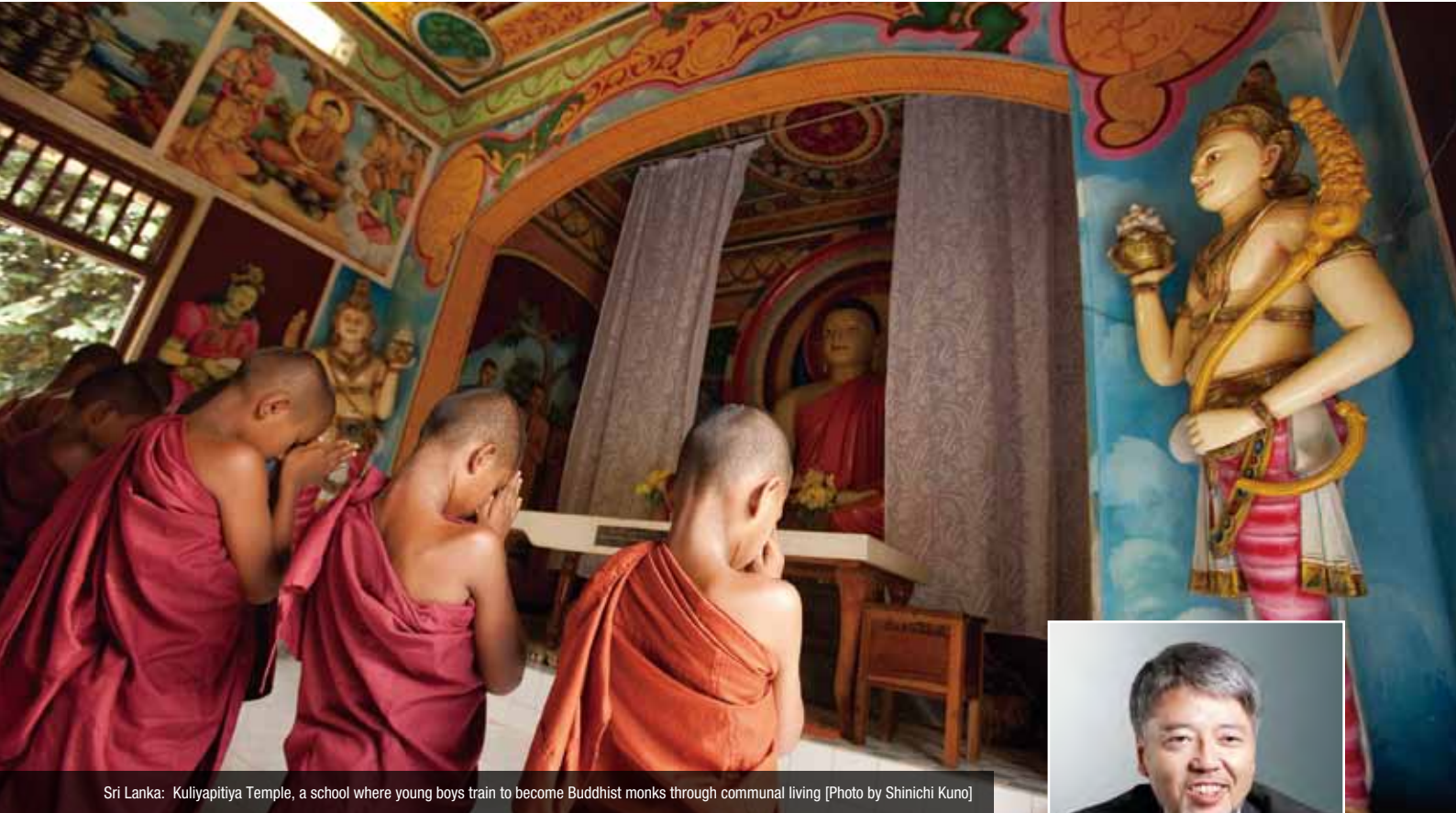
management of the forested land by the public and private sectors made a strong impact on participants and observers. Another extremely significant result of the project was the fact that the model provided a way for residents to operate a forestry business in a sustainable manner on their own without depending on public funds.



Japanese experts working on site



Conceptual Illustration of Triangular Approach



Sri Lanka: Kuliyapitiya Temple, a school where young boys train to become Buddhist monks through communal living [Photo by Shinichi Kuno]



Toru Arai
Director General
South Asia Department

Director General's Message South Asia

Enhancing Diverse Cooperation Amid Progressive Polarization

South Asia has become clearly polarized between countries with rapid economic growth, such as India, Bangladesh and Sri Lanka, and countries suffering from instability, such as Afghanistan and Pakistan. In fiscal year 2012, JICA extended large-scale ODA Loans to the former three countries in accordance with their infrastructure needs. Among the latter countries, JICA enhanced reconstruction of Afghanistan. Furthermore, JICA assisted disaster management measures for climate change and natural disasters, a common theme in the region.

In fiscal year 2012, we expanded the scope of ODA Loan projects in India and Bangladesh. In India, we extended assistance for building a dedicated freight railway route between Delhi and Mumbai and construction of the Chennai metro. We also extended assistance for other infrastructure, such as electric power, water supply and sewage systems, which are essential for economic development. In addition, we worked with India on a joint program to enhance the Indian Institute of Technology, Hyderabad.

In Bangladesh, we extended assistance for infrastructure development, such as transportation systems in Dhaka and electric power projects. We also continued to extend assistance toward achieving the Millennium Development Goals (MDGs) in the areas of disaster prevention, education, healthcare and hygiene.

In Sri Lanka, we also extended an ODA Loan project on building national road bridges with Special Terms for Economic Partnerships (STEP) scheme, and other assistance for infrastructure development such as electric power, disaster management and water supply.

For countries suffering from conflicts and instability, we also

extended a wide-range of assistance. In Nepal, which is facing a severe electric shortage, we extended its first ODA Loan in 12 years for construction of a hydroelectric power station. In Afghanistan, to solve problems caused by the rapid population growth, we assisted urban development in the Kabul metropolitan area and agriculture and rural area development focusing on rice cultivation. In Pakistan, we extended projects for the construction of the Child Health Institute in Karachi and polio eradication.

In fiscal year 2013, we will continue our assistance for the dedicated freight corridor project, development of the southern region of India and other measures as agreed on at the Japan-India Summit Meeting. Our assistance to Bangladesh will focus on the fields of establishing water supply systems, rural development and transportation sectors. In addition, while implementing a survey on regional cooperation to strengthen the linkage between ASEAN and South Asian countries, we will steadily implement the assistance for Afghanistan outlined by the policy stated by the government of Japan in the 2012 Tokyo Conference on Afghanistan.

South Asia

Cooperation for Long-term Growth in Asia While Reflecting the Region's Diversity

South Asia, including India, Bhutan, Afghanistan, Pakistan, Sri Lanka, Maldives, Bangladesh and Nepal, is about the same size as Europe but has a population that is twice as large, at 1.6 billion people. Situated at the center of the sea lanes between East and Southeast Asia and the Middle East and Africa, the region is in a geopolitically and strategically key position and a hub of economic exchange with other regions. Looking at the countries in the region, they exhibit a rich diversity of religions, ethnic groups, cultures and languages. It can also be said that the region grapples with sources of instability that include income disparities and religious conflicts. Ensuring economic and social stability and progress in South Asia is vital to the stability and advancement of the entire Asian region, including Japan. JICA is providing a diverse array of cooperation in response to the needs of each country. In addition, JICA plans to address issues that go beyond national and regional borders.

Special Feature

Program Goals and Overview

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Data and Information

Key Aid Strategies

- Aid for Sustainable Growth and Vitalization of Private Sector Economy
- Peacebuilding and Reconstruction Aid
- Inclusive Development and Poverty Reduction
- Countermeasures to Environmental Concerns and Climate Change

JICA has established the following four priority areas for its aid programs in South Asia:

1) Aid for Sustainable Growth and Vitalization of Private Sector Economy

For emerging countries in South Asia with notable economic growth, JICA provides aid for achieving sustainable growth, through assistance to development of transportation, electric power, sewage system and other infrastructure that form the foundations of economic growth. Moreover, Japanese companies are becoming increasingly interested in India, Bangladesh and other countries in South Asia because of their rapid economic growth. Keeping in mind the Japanese

government's growth strategies, JICA is also proceeding with cooperation aimed at collaborations with the private sector.

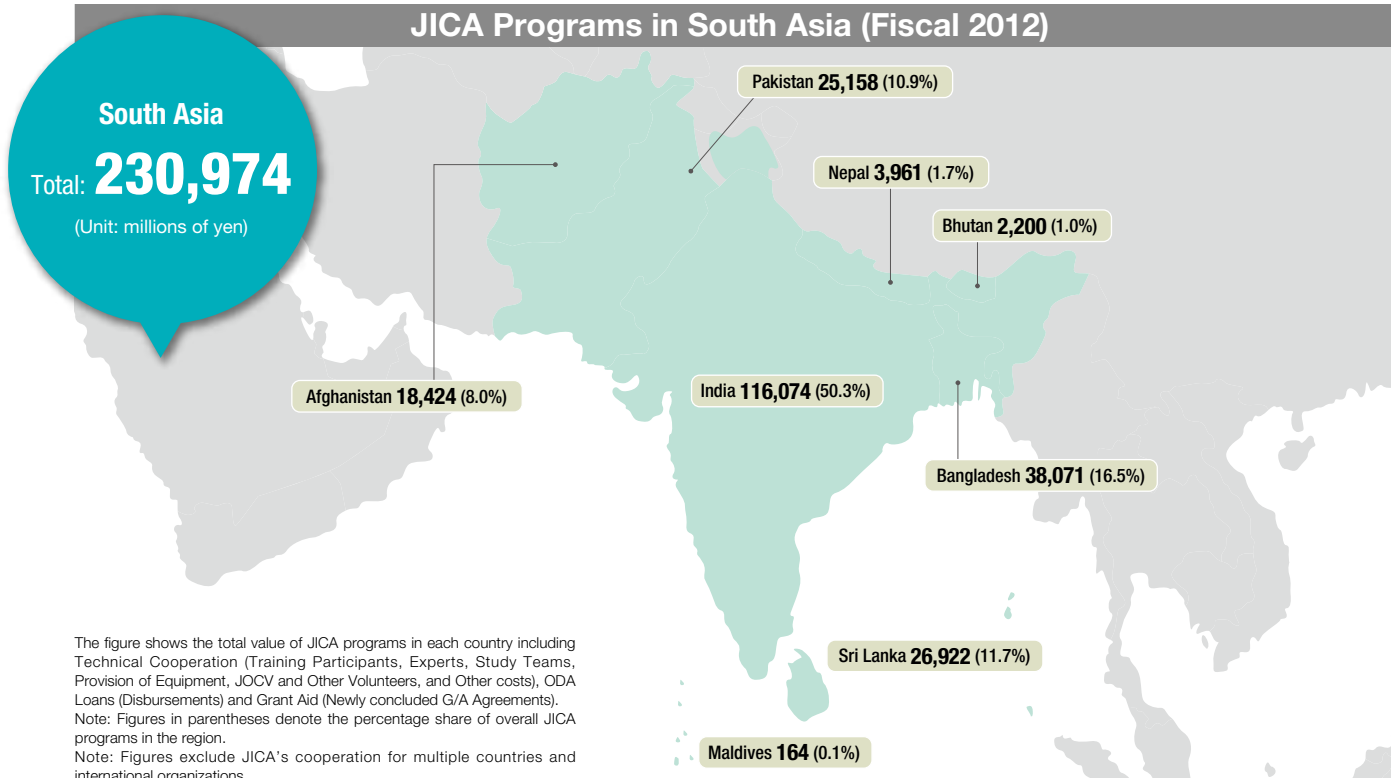
2) Peacebuilding and Reconstruction Aid

JICA conducts aid with the aim of contributing to the peace and stability of countries and areas in the region. There are programs in Afghanistan and Pakistan as well as in Sri Lanka, which is shifting from the reconstruction to development stage following the May 2009 end of 30 years of internal conflict. JICA is also active in Nepal, which is in the process of establishing a government under a new constitution.

3) Inclusive Development and Poverty Reduction

Poverty is a common issue for all countries in South Asia. The region contains approximately 500 million impoverished

JICA Programs in South Asia (Fiscal 2012)



The figure shows the total value of JICA programs in each country including Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other Volunteers, and Other costs), ODA Loans (Disbursements) and Grant Aid (Newly concluded G/A Agreements). Note: Figures in parentheses denote the percentage share of overall JICA programs in the region. Note: Figures exclude JICA's cooperation for multiple countries and international organizations.

people, exceeding the number of poor in Sub Saharan Africa. With gender disparity remaining a serious problem in the region, there are some South Asian countries that may be unable to achieve the Millennium Development Goals (MDGs). Giving consideration to the impoverished segments of countries in planning aid for establishing infrastructure that forms the base for economic growth and for healthcare, education, agriculture, rural development and other fields, JICA is proactively endeavoring to encourage inclusive development and through it continually reduce the number of impoverished people in the region.

4) Countermeasures to Environmental Concerns and Climate Change

Pakistan, Sri Lanka, Bangladesh and other countries in South Asia are highly vulnerable to cyclones, flooding, earthquakes and other disasters caused by climate change and natural disasters. Moreover, South Asia is a globally important region for the preservation of biodiversity. Consequently, JICA is providing cooperation with countermeasures to environmental concerns and climate change.

● Country Overviews and Priority Issues

● India

Representing the striking development in emerging countries, India is rapidly becoming a growing force in the global economy. In 2012, the GDP of India at purchasing power parity had become the third largest in the world.

India is still behind in the development of transportation, energy supply and other infrastructure that forms the base for industrial development. For realizing economic development and addressing the needs of its growing population, this situation is especially creating a bottleneck hampering progress. Moreover, there are states in the northeast that have

been left behind in the march of progress—states where more than 30% of the population is living below the poverty line. Improving the livelihood of and basic social services for people in these poverty-stricken states are major challenges.

In fiscal 2012, JICA signed ODA Loan Agreements for several infrastructure projects. Among them were the Tamil Nadu Transmission System Improvement Project, the Chennai Metro Project and the Dedicated Freight Corridor Project. The agreements were formed with a view to contributing to the economic and social development and further strengthening the business relationships between Japan and India. These project areas are in strategic locations that offer business opportunities to Japanese companies. Also, with a view to enhancing the living standards of low income people and improving social services, JICA has been pursuing projects such as improving productivity and diversifying agricultural production, as well as building water and sewerage systems by financing the “Himachal Pradesh Crop Diversification Promotion Project”, “Kerala water supply project” and others.

● Bhutan

Bhutan is a landlocked country with a population of about 700,000 located at the eastern tip of the Himalayas Mountain Range. The country is known for its commitment to a fundamental concept of increasing the population’s Gross National Happiness (GNH). The concept aims to create a society where people can live with feeling happiness not only focusing on economic growth.

Over the past five years, Bhutan’s GDP growth rate has averaged 9.3%, achieving high economic growth based on a large supply of hydropower utilizing the country’s abundant water resources. On the other hand, a variety of challenges have emerged in recent years due to the rapid urbanization, such as managing the urban environment, job creation, regional disparities and the vulnerability of the economic foundation.

Case Study India Contributing to Strengthen Exchange Among Industry, Academia and Government

Strengthening the Relationship between India and Japan through the IIT-H Aid Program

India’s economy continues to grow. Human resource development is one of the key issues to achieve sustainable growth. However, there are only about 500 Indian students studying in Japan, compared with 80,000 Chinese and 20,000 Korean. In contrast more than 100,000 Indian students are studying in the United States. To address this situation, JICA is providing support for strengthening industrial, academic and governmental relationship between the two countries.

In response to growing human resource needs reflecting rapid economic growth, the Indian government has been establishing and expanding the Indian Institute of Technology (IIT), India’s best university in science and engineering. Japan has been supporting the development of the IIT Hyderabad (IIT-H), in a comprehensive way.

The Project for Future Researchers at IIT-H to Enhance Network Development with Scholarship of Japan (FRIENDSHIP) is a program promoting various forms of academic exchange and industrial collaboration as well as facilitating study by graduates of IIT-H in Japan. Furthermore, under the Science and Technology Research Partnership for Sustainable

Development (SATREPS), Keio University is conducting the Information Network for Natural Disaster Mitigation and Recovery project. Moreover, ODA Loans will be provided for the development of the new campus including an international conference center, library and other facilities, which are to act as a symbol of the cooperation between Japan and India. The architectural design of the facilities was developed by the University of Tokyo through the Campus Design Project for Indian Institute of Technology, Hyderabad through Academic Exchange and Interdisciplinary Collaboration.

The IIT-H program will contribute to strengthening the increasingly important bilateral relationship between Japan and India.



Uday B. Desai (center), Director of IIT-Hyderabad, discusses the design of the international conference center with a team of architects from the University of Tokyo.

Based on the priority areas of the government of Bhutan, JICA is focusing aid programs on four main sectors: (1) agricultural and rural development, (2) economic infrastructure development, (3) social development, and (4) strengthening governance.

● Afghanistan

In its operations in Afghanistan, JICA is pursuing projects that contribute to economic growth, including job creation and to stabilizing the lives of citizens with the maximum level of safety measures in accord with the unstable security situation. Working together with the Afghan government, JICA has been extending its assistance in two priority categories: infrastructure development, mainly in the Kabul metropolitan area; and agriculture and rural development. In the Kabul metropolitan area, development projects are under way involving social and economic infrastructure, such as highways and electric power, construction of a new city called Dehsabz and the redevelopment of Kabul city. Completion of these projects will enable operations involving highways, water resources and other infrastructure components to begin.

For agricultural and rural village development, JICA has established a comprehensive assistance framework that covers the next five to ten years and follows the development plan of the Afghan govern-



Moving from reconstruction into the development stage—agriculture and rural area development (Afghanistan)

ment. JICA's cooperation will focus on four main elements: (1) consolidation of management functions and capacity, (2) water resource development and management, (3) increase agricultural productivity, and (4) promotion of agriculture and rural area development.

Other ongoing projects include improving administrative services and establish systems. In addition, there is a project to send up to 500 trainees to Japanese graduate schools from the medium- and long-term perspective for human resources development. JICA also cooperates closely with the Aga Khan Foundation and other international NGOs. Trials are under way to extend assistance to areas that have been difficult to reach in the past.

● Pakistan

Pakistan has the world's sixth largest population at about 180 million. Following the 11 September attacks, the role of Pakistan in maintaining peace in the region, including Afghanistan, has been highlighted. As a result, the international community has placed increased importance on the stable and sustainable development of Pakistan. The country's large workforce could be a driving force for economic growth and Pakistan has much potential as an emerging economic market. However, economic growth has been sluggish in recent years because of the unstable political and security conditions as well as unfavorable macroeconomic factors. Furthermore, the country faces various development issues, such as a continued large number of poverty-stricken people—about one in four residents is poor.

Consequently, the emphasis of JICA's assistance for Pakistan is centered on three themes: (1) improvement of

Case Study Pakistan Utilizing Japan's Experience in Disaster Management

Support for Disaster Management Program Assists Pakistan in Strengthening Disaster Management

Pakistan is vulnerable to disaster risks and almost every year, the country suffers from floods, landslides, cyclones, earthquakes or some other natural disasters. These disasters directly impact on the lives and livelihoods of the people, aggravating poverty in the country. JICA is utilizing Japan's experience in this program to strengthen Pakistan's disaster management measures.

While a reactive, emergency response approach was the predominant way of dealing with disasters in Pakistan, in recent years the federal government has committed itself to address the issues of prevention and mitigation including promulgation of the National Disaster Management Ordinance, which was later made into an act, and establishment of National Disaster Management Authority as a focal point for coordinating all aspects of disaster management. In an effort to put the principles of the Act into practice through formulation of a plan, Pakistan drew on long years of experience in tackling disasters in Japan, and in JICA's assistance with formulating the plan. It was designed to fully utilize Japanese experiences and expertise including the development of laws and human resource development. Furthermore, the plan was made based on the assessment of disaster risks and through a consultation process with multiple

stakeholders with a view to considering the contextual situation in Pakistan. The Disaster Management Plan was finally officially adopted in February 2013, providing Pakistan with its first comprehensive plan and representing a large step toward strengthening Pakistan's disaster management system.

It is expected that the government will proceed with a variety of specific measures to strengthen disaster prevention. However, because of the many issues faced, it is not necessarily going to be a smooth way forward. JICA will continue to provide assistance for building early warning systems, including the establishment of weather radar systems in Islamabad, and Karachi. JICA's program providing assistance for strengthening the development of human resources that will be mainly responsible for disaster management is also expected to take in place. Through this cooperation, JICA will provide underlying

support for the Pakistani government's disaster management efforts.

Related Link: Pakistan Approves a National Disaster Management Plan
http://www.jica.go.jp/english/news/field/2012/130328_01.html



There was a vigorous exchange of opinions on the national disaster management plan at the consultation meeting held with related institutions across the country in Pakistan. The plan was formulated incorporating the opinions of a diverse group of multiple stakeholders.

economic infrastructure (2) achievement of human security and improvement of social infrastructure, and (3) stabilization and balanced development of Pakistan – Afghanistan border areas. JICA is giving priority to assistance for solving the energy shortage that is a bottleneck for economic activity and for enabling the domestic manufacturing industry to produce value-added content. In other areas, JICA is strengthening polio countermeasures and vaccination programs by combining Technical Cooperation, Loan Aid and Grant Aid in a single program and building water and sewer systems and establishing systems in urban areas. Utilizing the knowledge gained from being one of the world's most disaster-prone nations, JICA also is providing Pakistan with assistance in all facets of disaster management, from planning to execution.

● Sri Lanka

Sri Lanka has an area that is about 80% as large as the Japanese island of Hokkaido and a population of about 20.45 million. After the ethnic conflict that had continued for almost 30 years ended in 2009, domestic demand expansion fueled by post-conflict development became the driver of economic growth. In 2011, Sri Lanka's real GDP growth rate reached the high level of 8.0% and per capita gross national income was \$2,580, positioning it as a medium-income country.

To achieve balanced reconstruction and economic development after the prolonged conflict, the government of Sri Lanka created a development plan that aims to double the gross national income per capita by 2016. The plan includes utilizing private-sector investments to strengthen the economic infrastructure, such as transportation and electric power. The government is also implementing measures to reduce the income disparity between cities and rural areas.

With Sri Lanka's cooperation needs in mind, JICA is

providing aid to build infrastructure to reduce vulnerability to disasters, such as a yen loan project for landslide disaster prevention, including the nation's first slope countermeasures. JICA is also aiding with the formulation of the urban transport master plan for building a transportation network for the capital city's metropolitan area. Other projects include improving road networks and establishing infrastructure to support economic growth by building low-loss power distribution grids in the electric power field. Furthermore, in the northern part of Sri Lanka that was affected by the conflict, JICA is aiding with building public facilities, such as water supply equipment and piers and with preparing a plan for the entire region. In addition, JICA is implementing measures to improve the social environment in rural areas. Those measures include boosting the livelihoods of people in areas where progress with development is slow, improving small dairy farms and other measures.

● Maldives

Maldives consists of about 1,190 small islands and has a population of only 320,000 (2009). For these reasons, it is difficult to conduct comprehensive social development programs in the country.

Moreover, the economic structure of the Maldives is highly vulnerable to the influence of the global economy. Tourism and fishery account for about 40% of the country's GDP.

JICA provides cooperation in fields including adapting to climate change that can contribute to economic and social development as well as the stability and improvement of the lives of the people of Maldives. Besides this cooperation, JICA volunteers help in such areas as education and youth development. In addition, JICA is providing aid for the installation of clean energy systems.

Case Study Sri Lanka Program for Promotion of Regional Development in Conflict-Affected Areas

Robust Support for the Transition from Reconstruction to Development

Sri Lanka is striving to rebuild and restore the various types of infrastructure destroyed by the prolonged armed conflict in its country. JICA is providing aid for the development of infrastructure.

In Sri Lanka, the armed conflict of nearly 30 years ended in 2009. Not only were various types of infrastructure destroyed during the conflict, but at the end of the conflict, a total of 280,000 internally displaced persons (IDPs) emerged. Today, the return of IDPs has progressed and the rebuilding of lives has commenced in those places. While it is of course necessary to build infrastructure in the places people returned to promote regional recovery and reconstruction, there are other pressing issues including measures to improve the livelihoods supporting individual's lives and strengthen community organizations and government administrative capacity.

The JICA's program is targeted at the Northern and Eastern provinces that suffered directly from the internal conflict and the surrounding provinces that were also affected. The goals of the program are to mitigate the vulnerability of the population and to bring

about a smooth transition to medium and long term development. In this context, JICA has implemented wide-ranging aid covering both government and grass roots levels. In the Eastern Province, JICA has provided ODA Loans to build rural roads and water supply systems, supplying aid for the building of infrastructure closely related to people's daily lives. In the Northern Province, JICA began providing assistance immediately after the end of the conflict. JICA aided with the formulation of development plans for the reconstruction of infrastructure and the revival of production activity. Other projects include strengthening government administrative capacity through a Technical Cooperation project and providing support for improving people's livelihoods by Experts and NGOs.

JICA will continually contribute to the further boosting of the reconstruction in the affected regions and the revitalization of their

local economies through a comprehensive range of assistance such as the development of small-scale basic infrastructure, further aid for improving livelihoods and the dispatch of Japan Overseas Cooperation Volunteers (JOCV).



A coconut sapling planted in the Mullaitivu District of Sri Lanka's Northern Province. The house of returnees can be seen in the right background.

● Bangladesh

Bangladesh has a population of approximately 150 million living in a territory only about 40% the size of Japan. It has the highest population density in the world, other than city-states. Bangladesh is also highly susceptible to natural disasters, such as cyclones, flooding and earthquakes. Reducing poverty is an enormous issue because upward of 50 million residents, or about one-third of the population, are poor. In recent years, the country has achieved firm economic growth, attracting international attention as a market and a destination for investments. However, inadequate infrastructure development in such areas of electricity, transportation, water supply and sewerage systems has been an issue.

JICA is providing assistance to accelerate economic growth and to overcome the vulnerabilities of the society. The ultimate goal of JICA's assistance is to achieve sustainable economic growth and alleviate poverty in Bangladesh.

For economic growth, JICA continues to provide cooperation for building such infrastructure as electric power and transportation systems. JICA provided ODA Loans for building urban railways to relieve the chronic traffic congestion that has emerged along with the rapid urbanization of the capital of Dhaka, and for water supply systems in the second largest city.

From the perspective of overcoming the vulnerabilities of Bangladesh's society, JICA is providing assistance to strengthen the country's ability to cope with natural disasters, such as cyclones and earthquakes. Besides these measures, JICA is continuing its efforts to improve basic education and maternal and child healthcare. Furthermore, JICA is providing assistance to projects to build infrastructure in rural areas that have fallen behind in development and to strengthen local public administration.

● Nepal

A landlocked state, Nepal is one of the poorest countries in South Asia. Featuring great geographic and climatic diversity, Nepal is situated between the Himalayas with 8,000 meter peaks in the north and flat lowlands with an elevation of around 60 meters in the south.

The Communist Party of Nepal (Maoist) formally began an internal conflict in 1996, which lasted for 10 years. Since the signing of the comprehensive peace accord in November 2006, the peace consolidation process has progressed steadily. Nevertheless, the country is still politically and socially unstable. Despite some industries with large development potential, such as electric power and tourism, Nepal has not achieved the overall economic growth because of inadequate infrastructure. In addition to the poverty issue, disparities caused by regional differences, gender, ethnic groups and castes is a concern.

Aimed at achieving sustainable and balanced economic growth, JICA's assistance to Nepal covers infrastructure development, peace consolidation and democratization and poverty reduction in rural areas. Among infrastructure projects, JICA is supporting road construction connecting the Kathmandu metropolitan area and Tarai Plain in the south. JICA has also provided an ODA Loan for construction of a hydropower plant.

For democratization and reducing poverty, JICA is supporting to strengthen legal system development and government administrative capacity and to develop the agriculture, education and health sectors.



Villagers and a government administration representative discuss watershed management and soil conservation issues (Nepal).

Case Study Bangladesh Contributing to Waste Disposal Management

Measures to Clean Up Dhaka

The continued accumulation of waste in Dhaka, the capital of Bangladesh, has become a social problem. A project by the City of Dhaka and JICA has greatly improved waste collection in the city.

Although Bangladesh is still one of the poorest countries in the world, its rapid economic growth in recent years has concentrated the population in cities and expanded urban areas. Within that trend, the capital Dhaka has become a megacity with a population of over 12 million people. Management of the continued accumulation of waste in the city has become a major social problem. In addition to such urbanization trends as a population increase, economic growth and changes in lifestyles, the inadequacy of public administration of waste disposal and management and ingrained living habits, such as putting out garbage on the streets or throwing it in water channels, have contributed to the problem.

Amid these circumstances, JICA has worked on improving waste management in Dhaka for over 13 years, starting in 2000. In 2006, a Clean Dhaka Master Plan was formulated as

the basic plan for waste management in Dhaka. Guided by the plan, JICA provided aid for various programs to improve waste management. The programs included strengthening the capabilities of City of Dhaka staff involved with waste management, providing waste collection vehicles, construction and expansion of final disposal sites, and providing environmental education by Japan Overseas Cooperation Volunteers (JOCV).

As a result, waste collection by the city improved substantially from 1,400 tons daily to 2,500 tons daily. Moreover, today, in addition to the daily collection of waste by the waste collection vehicles provided by Japan, the City of Dhaka staff and volunteers conduct cleanup activities on a daily basis. These measures by Dhaka and JICA have also instigated interest from other urban centers in Bangladesh in introducing them for their own cities. In another interesting development, in December 2012,

the City of Dhaka invited waste management-related groups from the Sudan and South Sudan to its city to introduce JICA's project activities to them. In this way, the steady efforts over the years by the City of Dhaka and JICA are continuing to spread the results of JICA's cooperation.



A waste collection truck provided by Japan is used daily to collect waste in Dhaka.



Bolivia: Local residents hold a thank-you ceremony to celebrate a water storage tank built by the Water of Life Project. [Photo by Shinichi Kuno]



Takeshi Takano
Director General
Latin America and the
Caribbean Department

Director General's Message

Latin America and the Caribbean

Promoting Private Sector Participation in the Growing Economies of Latin America Using Japan's Knowledge as a Leverage

Fiscal 2012 saw expansion of activities that lead to participation of Japanese private sector in Latin America. Such projects include fostering of the support industries for Mexico's automotive sector, where Japanese companies are increasingly moving into, and improving skills of shipbuilders in Brazil. In both cases, leveraging Japan's technology was a key in promoting partnership with private sector. In Latin America as well, JICA seeks robust collaboration with private sector in its effort to assist developing and emerging countries to fulfill their development goals, in a wide range of fields including resources development and disaster prevention.

With Japanese automobile manufacturers ramping up local production in Mexico, there are hopes that local companies will upgrade their operations to enable the procurement of high quality parts. At the request of the Mexican government, JICA has begun providing assistance with fostering automotive part suppliers. In future, JICA also plans to cooperate with nurturing highly skilled human resources for automobile-related industries.

In Brazil, the development of seabed oil fields has expanded the demand for ships. JICA is preparing a project with Brazil to foster shipbuilding engineers to meet the local demand. This will, in the end, place steppingstones for Japan's shipbuilding business to invest more in the region. Moreover, projects that utilize highly advanced technologies such as smart grids for efficient operation of electric power systems and smart cities that incorporate advanced traffic systems and land utilization are under consideration.

JICA is also providing ODA Loans for energy conservation projects; those include geothermal energy development in Costa Rica and the conversion of lighting systems in public facilities to LED lighting in Nicaragua.

In resource development-related support, geothermal energy development projects to provide Bolivia with the electric power needed for development of the remote mountainous areas and

the lithium mining project are in operation. Timely provision of ODA Loans to geothermal project is our next target. Japan is supporting resource-rich countries for sustainable development of such resources, which in turn secure natural resources supplies for Japan. Disaster prevention remains a key theme: Japan's public and private sector have accumulated disaster prevention and mitigation technologies, such as early warning system, which will be of great use for disaster-prone countries of Latin America. JICA is extending aid to share Japan's experience in disaster prevention and mitigation to those countries.

In fiscal 2013, JICA will continue to strengthen economic relations between Japan and Latin America, a region where total GDP is approximately 2.5 times that of ASEAN. In early 2013, JICA formed a study mission in collaboration with Japanese private sector to South America, seeking to promote partnership with Japanese descendent (Nikkei) communities totaling over 1.6 million people in Latin America. JICA is committed to accelerate collaboration with private sector in its own unique way.

Following agreements with Mexico, Peru and Chile, Japan is currently negotiating an Economic Partnership Agreement (EPA) with Colombia. JICA is considering the possibilities of cooperation and collaboration with the Pacific Alliance comprised of these four South American countries.

Central America and the Caribbean

Promoting Effective Development Cooperation

While the Central America and the Caribbean*¹ countries share many aspects such as language and culture, they also have diverse needs according to each country's size and different socio-economic situations.

Taking into consideration the unique context of each country as well as the trend of regional and intra-regional cooperation initiatives to overcome region-wide development issues, JICA supports the sustainable development of the region, based on three priority areas: 1) Infrastructure development for sustainable economic growth; 2) Addressing global issues; and 3) Disparity reduction from the perspective of human security.

Special Feature

Program Goals and Overview

Concrete Initiatives

Cooperation Modality

Operation, Management and Evaluation

Data and Information

Key Aid Strategies

Improvement of the Economic Infrastructure, Response to Global Issues and Mitigation of Socio-Economic Disparities

The Central America region was seriously affected by the armed conflicts that continued for over 10 years since the late 1970s. With the end of the conflicts and the progress of peace negotiations in the 1990s, democracy began to take roots in the region. Today, most Central American countries are achieving stable economic growth. The Caribbean region is also maintaining a certain degree of economic growth supported mainly by the tourism industry and remittances from migrants residing in the United States.

On the other hand, Central America and the Caribbean face many problems such as frequent hurricanes and other natural disasters, and the vulnerable economic structure which is highly dependent on primary products exportation and overseas remittances. In order to overcome these common issues and achieve regional development, regional integration and intra-regional cooperation initiatives are intensifying via organizations like the Central American Integration System (SICA) and the Caribbean Community (CARICOM).

Along with these trends of region-wide and intra-regional cooperation, JICA is continuing to work in partnership with

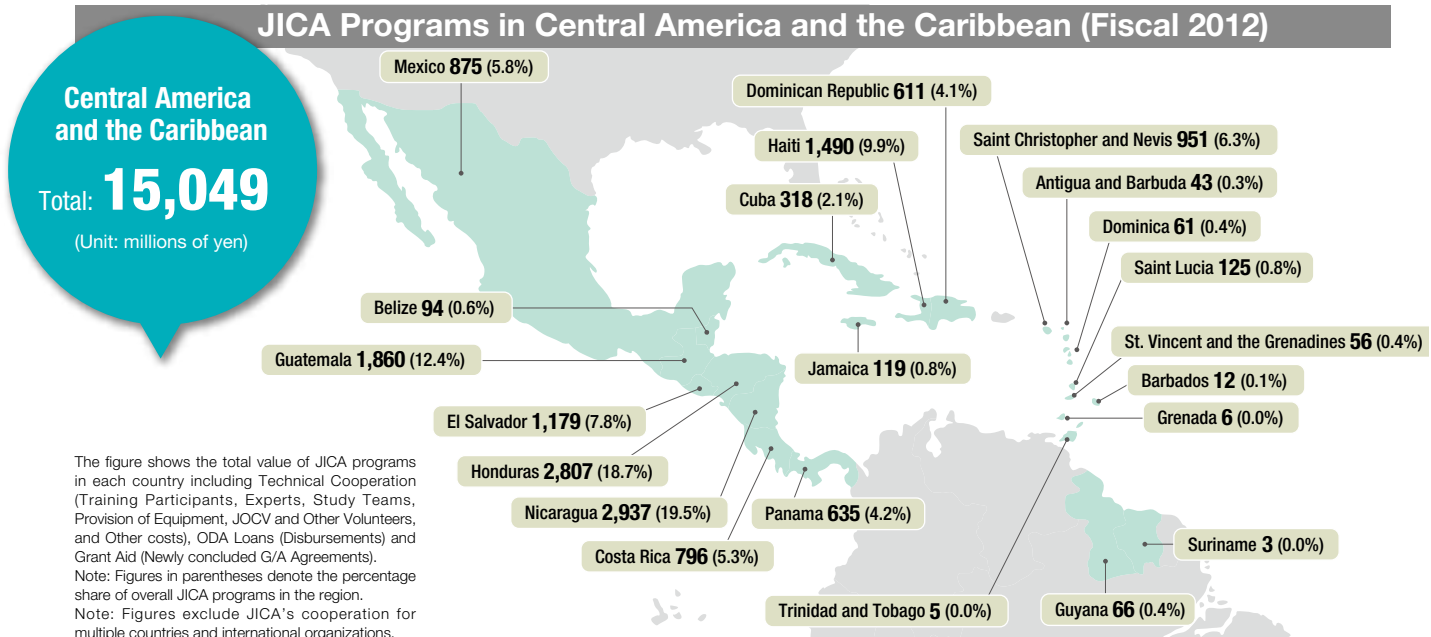
international organizations such as the Inter-American Development Bank (IDB) and other bilateral donors, in order to respond effectively to common development issues in the region.

In March 2012, JICA has signed a co-financing framework agreement with the IDB called as CORE - Co-financing for Renewable Energy and Energy Efficiency scheme for Central America and the Caribbean. Based on this agreement, JICA is preparing ODA Loan projects for countries in the region, such as Costa Rica and Nicaragua.

JICA's activities in the Caribbean are guided by the "Partnership for Peace, Development and Prosperity between Japan and the Member States of the Caribbean Community (CARICOM)" agreed at the Second Japan-CARICOM Ministerial-Level Conference in September 2010. Based on this partnership, JICA provides assistance for sustainable social development focusing on disaster prevention and environmental issues.

*1 Antigua and Barbuda, Bahamas, Barbados, Belize, Costa Rica, Cuba, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Saint Christopher and Nevis, Saint Lucia, Saint Vincent, Surinam, and Trinidad and Tobago.

JICA Programs in Central America and the Caribbean (Fiscal 2012)



Moreover, JICA is also promoting trilateral cooperation in collaboration with emerging countries such as Mexico, under the Japan Mexico Partnership Program (JMPP).

Priority Issues and Activities

Infrastructure Development for Sustainable Economic Growth

The Central American region has fallen behind in building and restoring its basic economic infrastructure as a result of many years of civil war and frequent natural disasters, such as hurricanes. Weak infrastructure is one of the obstacles to the economic growth in the region. In order to facilitate the efficient movement of goods throughout the entire region, JICA provides assistance for the construction of highways and bridges.

In Guatemala, JICA is working on the improvement of roads located in the peace zone (Zonapaz), a region particularly affected by the civil war that ended in 1996. By building national roads that run across Zonapaz or that connect the main transportation routes to neighboring departments, JICA aims to strengthen the transportation system and to improve the access to socio-economic services. These efforts are being made in hopes of improving the standard of living, stimulating the regional economy and firmly establishing the peace.

Although the Central America has made some progress in its recovery from the global financial crisis that started in the fall of 2008, its pace has been slow. Consequently, a growing need for initiatives to achieve continuous economic growth and to mitigate socio-economic disparities has emerged.

In Mexico, the economic ties with Japan have further strengthened after the Economic Partnership Agreement (EPA) came into effect in 2005. JICA has been implementing projects to support local companies, with the objective of facilitating the entering of Japanese companies in the Mexican market. Emphasis has been placed on the north and central regions of Mexico, where many Japanese automobile-related companies are already starting their business. In 2010, JICA initiated the “Project for Human Resource Development in the Technology of Plastic Transformation” and in 2012, JICA has been implementing the “Project for Automotive Supply Chain Development in Mexico” which aims to promote the

development of supply chains between Japanese and Mexican automotive parts suppliers. The project is being carried out in collaboration with several Mexican province governments and ProMéxico, the federal government’s trade investment promotion agency.

Addressing Global Issues Climate Change Countermeasures (Renewable Energy, Environmental Protection and Improvement, and Disaster Prevention)

Through the previously mentioned JICA-IDB co-financing scheme, JICA is actively taking measures to address climate change. JICA provides assistance for the development of renewable energy and introduction of energy conservation methods. JICA also assists in climate change adaptation measures, such as the strengthening of disaster prevention capabilities.

Hydroelectricity is the main source of electric power in Costa Rica, but in recent years, fluctuation in the amount of rainfall has created power shortages. On the other hand, the country is rich in geothermal resources. Therefore, as an environmental mitigation measure, JICA is formulating a project that will make ODA Loans for the construction of multiple geothermal electric power generation plants in Costa Rica. In Nicaragua, where the dependency to fossil fuel electric power generation is high, the priority issue is the diversification of electric power sources and the improvement in the overall balance of supply and demand. JICA is elaborating an ODA Loan project to build multiple small hydroelectric power generation stations throughout the country. In addition, the project will include the replacement of the lighting equipment for streets, public facilities, and houses to energy saving appliances of a quality seen in only a few other places in the world. In the future, JICA also plans to promote activities to reduce the emission of greenhouse gases in the region.

As measure for climate change adaptation, enhancing disaster risk management is also important. In October 2011, Tropical Storm 12-E inflicted enormous damage on the socio-economic infrastructure in El Salvador. In response, JICA conducted the damage evaluation of 18 bridges, prepared the Bridge Rehabilitation Plan and installed temporary bridges

Case Study Assistance for Improving Living Environment and Sanitation Conditions

Panama’s First Sewage Treatment Plant Completed

JICA aims to provide better living and sanitation conditions for residents of Panama by building its first sewage treatment plant. The project is intended to improve the notable water pollution in Panama City and the Gulf of Panama.

Of the 3.4 million people living in Panama, approximately 1.2 million are concentrated in the capital, Panama City. Rapid development has produced row of high-rise buildings in the capital, but the country had no sewage treatment plant. Sewage passed untreated into the rivers flowing through the city into the Gulf of Panama. Affected by the bad odor, the nearby beaches were deserted. In 2001, the pollution forced Panama’s Ministry of Health to prohibit

the consumption of marine products from the Gulf of Panama.

Against this backdrop, since 2007, JICA has been providing ODA Loans (approved amount: ¥19.4 billion) for the construction of a sewage treatment plant and the connection of pipelines to collect sewage from the city and carry it to the plant. Through the co-financing program with IDB, the project is also building a sewage network in the city.



The completed sewage treatment plant

The sewage treatment plant was completed in February 2013, and trial operations began in June 2013. Through the construction of the sewage treatment plant and the expansion of the scope of the sewage system, people are hoping for the earliest recovery of the natural beauty of the Gulf of Panama.

under the Economic Infrastructure Rehabilitation Assistance Project. With the installation of temporary bridges in two highly urgent sites, it is expected that the local material flow will increase and the economy will be activated. Moreover, JICA has contributed to El Salvador's disaster response capability by providing seismographs, GPS seismic monitoring systems, and other risk management systems under "the Project for Improvement of Equipment for Disaster Risk Management (Grant Aid) launched in 2012.

Assistance for Mitigation of Socio-Economic Disparities from the Perspective of Human Security

Although countries in Central America and the Caribbean have attained a certain degree of economic development, there are still a large number of people living in poverty with no access to basic education, health and medical services and safe drinking water. From the perspective of human security, JICA aims to achieve inclusive development in this region through the capacity development of the government, the communities and its residents.

In the governance sector, JICA has been promoting regional development through "the Project for Strengthening of the Capacity Development of the Local Governments for Regional Development (FOCAL II)" since October 2011. Prior to this

project, JICA had carried out "the Project for Capacity Development in the Western Region" in Honduras from September 2006 to October 2010, in which JICA introduced a participatory development process named as FOCAL. This process consists of participatory situation analysis, elaboration and implementation of a development plan. The FOCAL project was highly regarded by the Government of Honduras as an effective way to promote decentralization. Under FOCAL II, the FOCAL process is being applied nation-wide, contributing to the capacity development of regional authorities in this country.

Haiti -the poorest country in Central America and the Caribbean - is still recovering from the devastation caused by a major earthquake in 2010. JICA is providing Grant Aid for the construction and repair of streets in Léogâne, where more than 90% of the buildings were destroyed by the disaster. The Grant Aid covers paving of streets, construction and dredging of the drainage canals. One of the goals of the project is to stimulate the socio-economic activity in the area by improving the city's transportation network. The project also aims to improve the standard of living of the local residents by providing the opportunity to earn cash through the employment of labor-intensive construction method.

Case Study Nicaragua Chagas Disease Control Project

Sharing Results in Four Central and South American Countries with the World

Known as a disease of the poor, Chagas disease is an infectious disease peculiar to Latin America. After an asymptomatic period of several decades, the disease can cause cardiac hypertrophy and cardiac hypofunction in some patients and can be life threatening. JICA is vigorously working to control the disease.

The transmission route for Chagas disease is almost exclusively through the blood-sucking insect of the subfamily Triatominae cruzi, also known as the kissing bug, which lives in thatched roofs, cracks in walls, and other spots in houses. In Nicaragua, it is estimated that at least 50,000 people are infected with the disease. It is difficult to correctly determine the state of disease because the signs and symptoms are difficult to be seen and the asymptomatic period is long. As a result, there is no established treatment method for patients in the chronic stage of the disease.

JICA was one of the first to focus on this infectious disease, commencing research in Guatemala in the 1990s. For more than ten years since then, JICA has implemented

Technical Cooperation projects in four countries in Central America (Guatemala, Honduras, El Salvador and Nicaragua). Through these projects, JICA has determined high-risk regions for Chagas disease and proceeded to exterminate the kissing bug in those regions by spraying insecticides. In addition, with the collaboration of the Health Department staff of these countries and the local communities, JICA has set up a monitoring system. Under the auspices of the World Health Organization (WHO), the Pan American Health Organization (PAHO) and other international organizations, the efforts have been used to halt new infections from the highly infectious non-native kissingbug vector in Nicaragua, Guatemala and Honduras. In El Salvador, the extermination of the insect

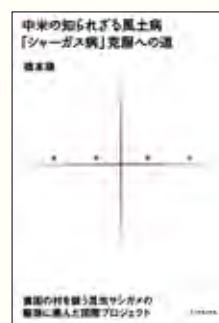
has been declared. To firmly establish the knowledge and experience cultivated in each of the Central American countries, JICA has dispatched Regional Experts (Chagas disease control advisors) to compile the results of the implemented projects as the culmination of cooperation done so far. Furthermore, JICA has disseminated its experience and results with Chagas disease control at international meetings held in Thailand, Peru and other countries. Besides the publication of a book in 2013 regarding the JICA's experience in Chagas disease and other activities, JICA is continuously working to spread and disseminating the results of its efforts to control Chagas disease to the world.



Health Department staff member explains the assassin bug monitoring system (Matagalpa Department).



Health Department staff member receives assassin bugs captured by citizens (Nueva Segovia Department).



"Overcoming Chagas Disease: The Unknown Disease Endemic to Central America," a book written by Ken Hashimoto and published by DIAMOND, Inc.

South America

Implementing Effective Aid While Advancing Inter-Regional Partnerships

South America, gifted with abundant natural and mineral resources and fertile soil, is achieving strong economic growth spurred by the recent increases in worldwide demand for resources and foods. At the same time, however, South American countries are still characterized by large disparities in both income and access to social services, where large numbers of people are forced to live in poverty in the shadows of economic growth.

JICA provides aid that contributes to solving issues considered to be priorities in each country in light of specific circumstances. It also concentrates its aid efforts on conservation of the region's ecosystems, such as the Amazon Basin, which have a significant impact on the global environment.

Going forward, JICA will focus on extending cooperation on economic infrastructure development, global issues, and mitigating disparities, while assisting the development of countries inside and outside of the region through private sector partnerships and partnerships with countries in the region that have achieved relatively high income levels and possess advanced technology, such as Brazil.

Key Aid Strategies

Developing Economic Infrastructure, Addressing Global Issues and Mitigating Disparities

South American economies depend heavily on the production and export of primary products, which makes them extremely vulnerable to global economic and market trends. In the future, these countries will need ongoing industrial development, trade promotion, and an improved investment environment, as well as economic development that facilitates sustainable growth. It is also essential to strengthen the administrative capacities of the governments and maintain stable public security as a foundation for encouraging private sector economic activity. Moreover, there are many areas in

which urban environmental problems are growing more serious due to economic growth, and these problems require an urgent response as well.

In the shadows of the strong economic growth of recent years, there persists considerable social anxiety created by the presence of economic disparities at the national and regional levels. Under these circumstances, in addition to undertakings to foster economic growth, efforts are being made to mitigate disparities and stabilize the economy and society in the region.

Furthermore, it is important to address global issues in

JICA Programs in South America (Fiscal 2012)

South America
Total: **21,927**
(Unit: millions of yen)



The figure shows the total value of JICA programs in each country including Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other Volunteers, and Other costs), ODA Loans (Disbursements) and Grant Aid (Newly concluded G/A Agreements).
Note: Figures in parentheses denote the percentage share of overall JICA programs in the region.
Note: Figures exclude JICA's cooperation for multiple countries and international organizations.

Increasing the quality of integral rehabilitation* of victims of landmines with the cooperation of medical care facilities and the local communities

In Colombia, the 50-year-old domestic conflict between the government's army and illegally armed guerrillas continues today. More than 4.5 million people have been internally displaced, fleeing from conflict-torn lands, and more than 500 people die or are injured by landmines annually—higher than anywhere else in the world. To provide aid in peace building and reducing disparities in Colombia, JICA launched a Support to the Victims of Armed Conflict and Their Coexistence and Reconciliation Program in 2008, assisting through multiple technical cooperation, technical training projects and the dispatch of teams of experts. One of those projects was the Strengthening the Integral Rehabilitation System for Persons with Disabilities, Especially for Victims of Landmines project, which was implemented over a four-year period from August 2008 to August 2012. Through this project, the quality of comprehensive rehabilitation has improved in the medical treatment facilities and regional communities affected by the project and the Colombian side of the project has started independent activities to spread the results of the project to other provinces.

Most of the injuries caused by mines laid as a result of Colombia's internal conflict occur in the agricultural areas of impoverished regions. Consequently, transport routes to medical facilities are poor, increasing the chances of secondary infection causing greater injury. Moreover, the quality of rehabilitation is not very high. This project was carried out in Antioquia Department, the area with the most landmine victims, and at the four medical care facilities in Valle del Cauca Department, the only rehabilitation base in southwest Colombia. It provided aid for strengthening the skills of the professional staff engaged in rehabilitation of landmine victims, took measures to promote an improvement in the level of first aid in the community immediately following the incident, and promoted reintegration of the landmine victims into the community. As a result of the project, rehabilitation systems in these areas have been strengthened. Rehabilitation manuals on amputations and sight impairment caused by landmines have been produced and are being utilized. Also, physicians, physiotherapists, and occupational therapists are working together as teams. Furthermore, the project carried out activities to educate people in the targeted regions on how to avoid landmine accidents and provided technical instruction on how to administer first aid after an accident. This knowledge was spread widely to community

leaders, firemen and others. In conjunction with these efforts, victims themselves became instructors, giving seminars on the rights of victims to be reintegrated into and participate in the community. These measures had greatly changed the awareness of not only the landmine victims but also the communities as a whole.

The Colombian institutions involved in the project are seeking to spread its results throughout the country, conducting seminars for the authorities of other departments in Colombia and staff of medical care facilities. In addition, the Colombian government is currently discussing with JICA methods of further strengthening support for the participation of landmine victims in communities in future.

From Our Colombian Counterpart

Soledad Delugado Sierra, Project Leader, Presidential Program for Comprehensive Action against Antipersonnel Mines (PAICMA)

Two central government institutions in Colombia's capital Bogotá, PAICMA and the Ministry of Social Protection and Health, took the lead on this project, which was implemented in two departments that were substantially different in terms of Colombia's social development index and of cultures. Because a total of 8 organizations were involved with the project, including hospitals, NGOs and

the two departments' health services bureaus, we expected there would be operational problems right from the start. However, the organizations were very positive, taking the view that the results of the project would be spread throughout Colombia. Even now that the project is over, the technology and knowledge gained from Japan during the project is being practically applied by each of the organizations, thus spreading the results of the projects.

During the project, several experts were dispatched to Colombia by Japan. These experts contributed greatly to the project, utilizing their expertise, transferring their specialist technologies to their Colombian counterparts, and implementing efficient project management methods. Most important of all, they made us deeply understand why a comprehensive rehabilitation policy for landmine victims was so necessary and actually made it possible for Colombia to implement the policy. We are very proud that in its final evaluation JICA assessed this project as a good practice in that so many organizations had coordinated and cooperated successfully to achieve the goals.

*Integral Rehabilitation signifies a comprehensive set of activities to deal with landmine victims, including first-aid treatment, rescue routes, treatment at medical care facilities, follow-up functional rehabilitation, and reintegration into the society.



Japanese expert observes rehabilitation treatment at Valle University Hospital.



Educational materials produced by the project on landmine accident prevention, first-aid treatment of landmine victims, the rights of victims, and other topics.

South America because the Amazon, the world's largest rain forest, greatly impacts global climate change, and because this area still offers significant potential for developing both agricultural land and natural resources, which are related to food and energy security.

South America has witnessed frequent major natural disasters in recent years, including an earthquake in Chile and flooding in Brazil, Colombia, and Venezuela, making disaster prevention countermeasures an important issue.

In addition, JICA is strengthening its relationships with such countries as Brazil where income levels have grown higher and technological capabilities have also improved compared to other countries in the region, by reinforcing partnerships to development in Central and South American countries and in Africa.

In recent years, Japan has been improving more and more of its resources and food from this region. Based on the large Japanese immigrant community numbering more than 1.6 million people, the relationship between Japan and South America is likely to deepen further in future.

Priority Issues and Activities

Building a Foundation for Sustainable Economic Growth

Blessed with abundant natural resources, South America has achieved steady economic growth in recent years, primarily driven by private-sector investment. Although the region was impacted by the global economic crisis in 2008 and by volatile prices for natural resources, the economy recovered in 2010. JICA is providing support to reinvigorate the economies of rural areas in consideration of mitigating domestic income disparities, which is an important development issue faced by various countries in the region.

In Paraguay, more than 80% of the roads are unpaved and are frequently impassable in the rainy season. These conditions cut off the sales routes of one of the country's major industries, the livestock industry, interfering with economic activity. Though its Rural Roads Improvement Project, JICA is addressing this issue by paving roads or rebuilding deteriorated bridges, and is providing a broad range other support to help establish stable economic growth in the region. JICA is scheduled to grant its first ODA loan with currency conversion option to Paraguay for the Eastern Region Export Corridor Improvement Project, which will provide new road infrastructure to link the production region of its livestock industry with harbors for export.

The Altiplano region of Bolivia, which is a plateau high in the Andes, has lead, zinc, lithium and other mineral resources as well as tourism resources like the Salar de Uyuni salt flats and the Potosi silver mine, which is a UNESCO World Heritage site. Nevertheless, this area also has the country's highest poverty ratio. Average monthly income is less than half the national average and the income disparity between urban and rural areas is more than four times. Agriculture and livestock are the primary industries in this region. However, the infrastructure is inadequate and the climate is challenging because of an altitude of more than 4,000 meters above sea level. In addition, the effects of climate change have been

lowering agricultural and livestock productivity in recent years. As a result, their future livelihood is the main problem residents are concerned with. In addition to Japan's infrastructure development aid, such as constructing geothermal power plants, JICA is taking other steps to address their issues. Along with these activities, JICA is supporting the creation of plans for industrial promotion in the tourism sector and the agriculture and livestock sector with the aim of improving the livelihoods of residents by increasing the scale of these two sectors.

Addressing Global Issues

South America tends to be affected by global issues such as climate change, but at the same time the region also can have a significant impact on the resolution of such problems. Accordingly, JICA is cooperating in this field with many South American countries. Since this is a region where some countries have relatively advanced levels of technology, JICA pursues research cooperation together with Japanese universities and other research institutes by utilizing Japanese science and technology in order to contribute to resolving global issues.

Brazil uses satellite images in its efforts to protect the Amazon rainforest, but has been unable to fully monitor the Amazon region, which is hidden by heavy cloud cover for five months of the year, from above. Through Technical Cooperation provided by the Project for Utilization of ALOS Images to Support the Protection of the Brazilian Amazon Forest and Combat Against Illegal Deforestation, JICA has made available Japan's ALOS (Advanced Land Observing Satellite) images that enable observation of land conditions regardless of cloud cover. JICA provided aid in introducing the ALOS system, establishing the ALOS imaging reading technology, and interfacing the ALOS system with Brazil's existing satellite monitoring system.

The ALOS satellite imaging and related processing and analysis technologies are being used in Argentina to determine the condition of and changes in glaciers in Southern Patagonia. For this purpose, Japan has provided assistance through the Developing a Glacier Inventory in the Argentinean Andes using High Resolution ALOS (Advanced Land Observing Satellite) Data Project (Dispatch of Science and Technology Researchers) by sending a team of experts. Not only do the glaciers in the region serve as an indicator of global warming, they also hold great importance for the approximately 2.5 million regional population in terms of drinking and irrigation water. As result, there are high expectations for the usefulness of determining the actual condition of the glaciers and the mechanism of change.

Colombian farmers plant many crops, such as sugar cane, that require nitrogen-rich fertilizer. Colombia, therefore, requested technology transfer regarding a low environmental impact agricultural production system based on the efficient introduction of the nitrogen fertilizer method developed in Japan for rice growing. In response, Japan provided aid through the Development of Nitrogen Use Efficiency Technology to Reduce Greenhouse Gas Effect in Agriculture System Project, dispatching a team of science and technology researchers to the International Center for Tropical Agriculture (CIAT), which has its headquarters in Colombia. The team took images of agricultural crops being grown over extensive areas and carried out research to analyze the obtained data. Their

work contributed to the transfer of technology enabling the selection of varieties of crops with superior nitrogen utilization efficiency. The research done is considered to be extremely open ended, with future application in advanced cultivation control and other areas.

Similar to Japan, Chile is a country with many earthquakes and tsunamis. In 2010, an earthquake of magnitude 8.8 that was the sixth most powerful earthquake ever recorded devastated a large area of the country. Damage caused by the tsunami was particularly severe, raising many questions about disaster control measures in Chile. Japan has been sharing information about and lessons learned from the Great East Japan Earthquake of March 11, 2011 with other at risk countries, strengthening tsunami disaster prevention measures to prevent such a tragedy from ever reoccurring. To that end, JICA is implementing the Research Project on Enhancement of Technology to Develop Tsunami-resilient Communities under the Science and Technology Research Partnership for Sustainable Development (SATREPS). The objectives of this joint research project include developing tsunami damage prediction technologies and a highly accurate tsunami warning method in Chile.

Poverty Reduction and the Correction of Disparities

Measures to address poverty and the correction of disparities are an issue common to all South American countries as well as a cornerstone of each nation's governmental policy. Through its projects, JICA is playing a part in their efforts.

Situated in the mountainous region of Ecuador, Chimborazo Province is struggling with serious, multiple poverty issues. In this region, income from agriculture is low, there is a lack of such basic infrastructure as education and medical services, and deforestation and soil erosion are progressing. Through the Capacity Development for Promoting the Sustainable Integral Rural Development for Poverty Reduction in Chimborazo Province Project, JICA is taking steps to improve the livelihoods and the living conditions of residents in 30 settlements spread across four zones in the province. JICA is endeavoring to enlighten residents in these zones about rural development through participatory programs, strengthening project execution systems through the collaboration and coordination of related government organizations and providing assistance with increasing the skills of workers.



The Capacity Development for Promoting the Sustainable Integral Rural Development for Poverty Reduction in Chimborazo Province Project in Ecuador: Implementing soil conservation in collaboration with the environmental department of the provincial government.

Approximately 13% of Peru's population is said to comprise people with physical and mental disabilities that require some type of expert treatment. Last year, utilizing Grant Aid provided by Japan, Peru built a National Rehabilitation Center for the disabled in the nation's capital, Lima. Through the construction of these essential facilities and installation of necessary equipment and materials, Japan contributes to the expansion of medical rehabilitation services, the nurturing of professionals, and enhancement of medical treatment.

Also in Peru, through the Amazonas Rural Development Project (ODA Loan), JICA is assisting with comprehensive regional development in Peru's poorest province, focusing primarily on tourism. Funds provided through Japanese aid are being allocated to establishing tourism resources, such as maintenance of ancient ruins, building visitor centers and other tourism facilities, and constructing paved roads to improve access. The funds are also being applied to building waste disposal plants to handle additional waste produced by tourists, strengthening tourism administrative capabilities, educating local residents, and supporting participation in the tourism industry.



Peru's National Rehabilitation Center for the disabled was built with Grant Aid from Japan.

Strengthening Relationships with Japan's Public and Private Sectors

Aid from national governments themselves or from foreign countries has a relatively smaller impact on the overall economy in comparatively higher income countries, where private sector economic activity drives development.

In South America, Japanese private sector companies have entered the mining industry to start with in particular because of the region's rich mineral, energy and other resources. The progress of these private sector economic activities will serve to promote further economic development, while also contributing to strengthening the relationships between these countries and Japan.

Recently, JICA dispatched the mission of the Central and South America Private Sector Collaboration Study Team to Brazil and Paraguay. A total of 13 private sector companies and organizations participated in the study team, holding meeting with the governments and local companies in both countries. As a result, some Japanese companies started to consider using JICA's programs to start business in these countries and some local Japanese subsidiaries began to develop concrete business plans.



Senegal: People gather around a faucet in a village where solar power and water purification facilities were installed. [Photo by Shinichi Kuno]



Eiji Inui
Director General,
Africa Department

Director General's Message

Africa

Towards Further Acceleration of Economic Growth in the Next Five Years

There were two major themes in the fiscal year 2012. First was assessing the achievements gained after the Fourth Tokyo International Conference on African Development (TICAD IV) that took place in 2008. Second was making preparations for TICAD V, which was held in June 2013. Building upon the past accomplishments, JICA will continue to provide assistance for the development of Africa, with a set of clear goals for the next five years .

At TICAD IV, in addition to doubling ODA to Africa by 2012, the Government of Japan promised to extend up to \$4 billion of ODA loans, primarily for infrastructure and agriculture projects, and to expand assistance for health and sanitation, education and other fields. Almost all of these promises were achieved. In 2012, TICAD IV Ministerial Follow-up Meeting was held in Morocco. At this gathering, participants expressed their appreciation to Japan for continuing to provide support as promised, even after the Great East Japan Earthquake.

In the preparatory process towards TICAD V, JICA participated in the sector working groups of the Ministry of Foreign Affairs. We made proposals on targets and programs for each sector and established a wide variety of specific projects.

There are two main aspects that characterize TICAD V. First is that the leading role of the African Union is brought to the fore. Second is an even greater response to the changing world situation.

Along with these activities, JICA has been assisting the regional integration within Africa. One example is measures to promote trade and other economic activities in the continent, where there are many land locked country. JICA is also supporting the establishment and improvement of economic corridors, one-stop border posts (OSBP), and value chains for

agricultural products.

JICA has been working on fostering the private sector development of Africa. For example, we have been assisting the utilization of outstanding Japanese production technologies such as KAIZEN for the African private sectors, and conducting industry-related human resources development. In addition, we support Japanese companies that are considering becoming a partner for projects in Africa. We are also promoting South-South cooperation with the participation of Brazil and other Asian countries; rice production to increase food production; and nation-building efforts in order to consolidate peace and stability in Somalia, South Sudan and other countries. These examples demonstrate the breadth of our activities in Africa.

In the fiscal year 2013, we are concentrating on making progress to reach the goals of TICAD V. For example, taking Africa's diversity into consideration, we will further promote cooperation among and within the regional blocs and public-private partnerships. Furthermore, for the next five years, we will endeavor to provide wide range of supports towards growth that does not create disparities, transformation of industrial structure, enriching the social sector, and global environment conservation in Africa.

Africa

— Hand in Hand with a more dynamic Africa*¹

The Fifth Tokyo International Conference on African Development (TICAD V) was held in Yokohama in June 2013. Africa is undergoing a dynamic change even as the continent struggles with poverty, conflicts and other issues. It has been achieving the annual economic growth rate of 5% and above since 2000. Furthermore, private-sector investments from Europe and North America as well as from China, India and other emerging countries are rapidly increasing. JICA is extending support to the countries of Africa with the aims of achieving sustained growth and reducing poverty.

Special Feature

Program Goals and Overview

Concrete Initiatives

Cooperation Modality

Operation, Management and Evaluation

Data and Information

Key Aid Strategies

Promote Support for the Ongoing Dynamic Growth of Africa with More Strengthened Public-Private Partnership.

TICAD IV Follow-up

At TICAD IV, which took place in Yokohama in May 2008, participating countries and organizations agreed on a number of priority issues. These include boosting economic growth, ensuring human security through achieving the MDGs, consolidation of peace and good governance, addressing environmental/climate change issues. The Government of Japan pledged numerical targets on more than 20 items, including doubling ODA for Africa by 2012, providing new ODA Loans of up to \$4 billion, extending assistance to double rice production in Sub-Saharan Africa in the next 10 years, providing training for 100,000 math and science teachers and 100,000 health and medical workers, and providing safe drinking water to 6.5 million people. Almost all of these goals were achieved during the past five years (FY 2008-2012).

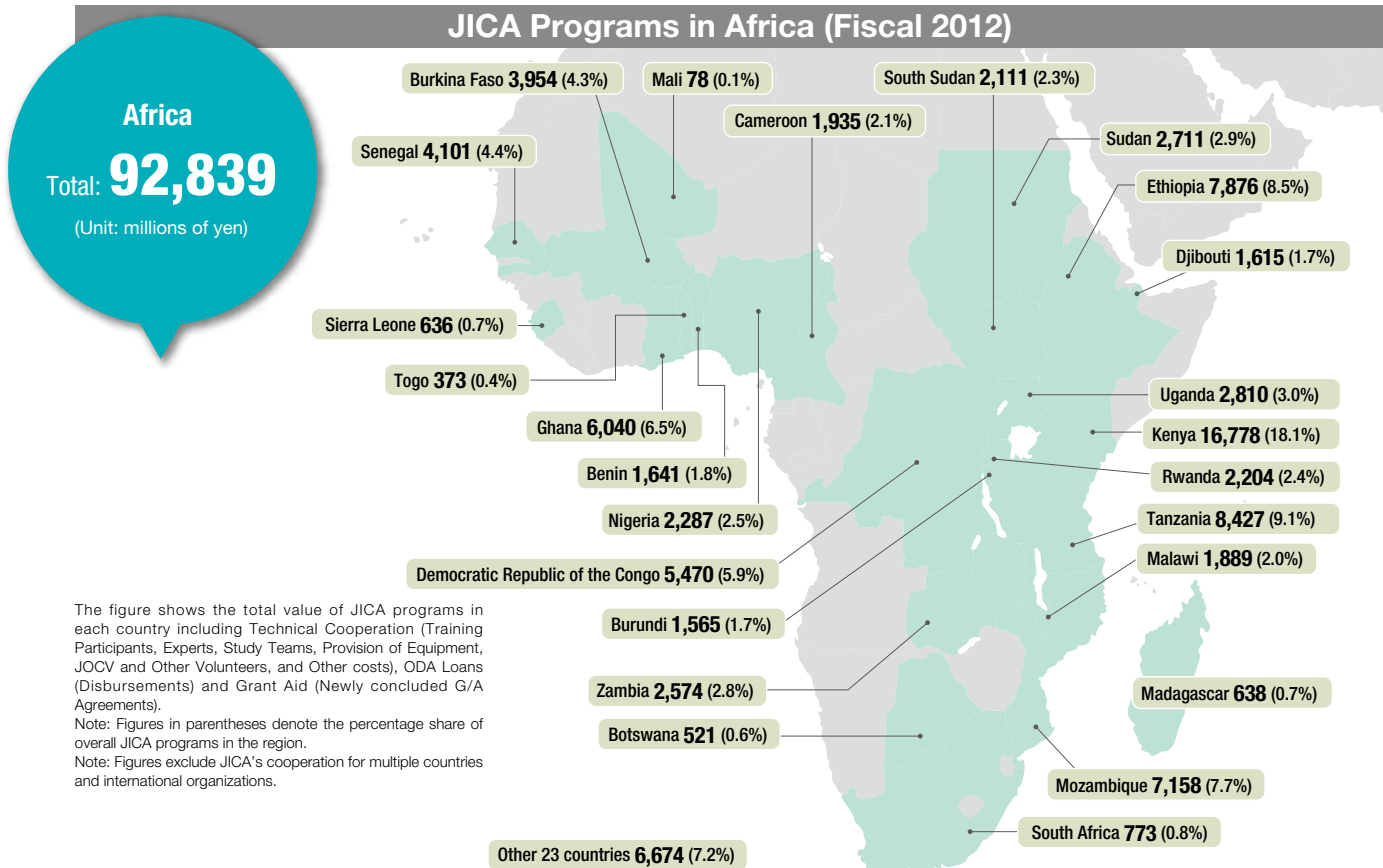
JICA played a major role in fulfilling these commitments. JICA doubled*² its Technical Cooperation and extended new ODA Loans of about \$4.4 billion against the target of \$4 billion. For doubling rice production in 10 years, there is steady progress in rice production increase by about 30% from 14 million tons in 2007 to 18.4 million tons in 2010, towards meeting the target to be achieved by 2018. Furthermore, JICA significantly exceeded the targets for training math and science teachers and health and medical workers as well as for providing access to safe water*³.

*1 The overarching theme of TICAD V

*2 Technical Cooperation: Increased from annual average of ¥22.8 billion for FY2003-FY2007 to ¥52.5 billion in FY2012.

*3 Math and Science teacher training: 793,000 people in five years; Training of health and medical workers: 221,000 people for FY2008-FY2011 (including the achievement of Ministry of Foreign Affairs); Access to safe water: 10.64 million people for FY2008-FY2012 (provisional figure, including MOFA achievements)

JICA Programs in Africa (Fiscal 2012)



The figure shows the total value of JICA programs in each country including Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other Volunteers, and Other costs), ODA Loans (Disbursements) and Grant Aid (Newly concluded G/A Agreements).

Note: Figures in parentheses denote the percentage share of overall JICA programs in the region.

Note: Figures exclude JICA's cooperation for multiple countries and international organizations.

During the five-year period since TICAD IV, Africa has experienced numerous events, such as an economic slowdown after the fall 2008 Lehman shock, political turmoil associated with the Arab Spring movement that began in 2011, internal strife in the Cote d'Ivoire in 2011, turmoil in Mali starting in 2012. However, Africa has notably posted annual economic growth of more than 5% every year since 2010, while Japan and other developed countries have had difficulties in returning back to the growth path after the Lehman shock.



JICA President Akihiko Tanaka speaks at a TICAD V thematic session held by the African Development Bank.

Priority Issues and Efforts

1. Yokohama Action Plan 2013-2017 and Japan's Assistance Package for Africa

TICAD V had three core themes: a Robust and Sustainable Economy, an Inclusive and Resilient Society, and Peace and Stability. Based on these themes, participants agreed on six focus areas for the Yokohama Action Plan 2013-2017: Promoting Private Sector-led Growth; Accelerating Infrastructure and Capacity Development; Empowering Farmers as Mainstream Economic Actors; Promoting Sustainable and Resilient Growth; Creating an Inclusive Society for Growth; and Consolidating Peace, Stability and Good Governance.

Japanese Prime Minister Shinzo Abe delivered a speech at TICAD V at which he announced Japan's Assistance Package for Africa that includes the following commitments^{*4}.

- Utilizing private and public means of up to approx. JPY 3.2 trillion (equivalent to USD 32 billion), including ODA of approx. JPY 1.4 trillion (equivalent to USD 14 billion), in the next 5 years
- Financial assistance of approx. JPY 650 billion (equivalent to USD 6.5 billion) (ODA and JBIC loan) for infrastructure
- Support for development of five major growth corridors and formulation of strategic master-plans in 10 locations
- Capacity building of 30,000 people for business and industry and establishing TICAD human resource development centers for business and industry at 10 locations
- Launch of "African Business Education Initiative for the Youth: ABE Initiative," for young people in Africa, inviting 1,000 people from Africa to Japan for scholarship and internship
- Transform farmers to move from subsistence to commercial agriculture through SHEP approach^{*5} in 10 countries
- Financial support of JPY 200 billion (USD 2 billion) for low carbon energy
- Provide quality education 20 million children
- Promotion of Universal Health Coverage^{*6}
- JPY 100 billion (USD 1 billion) in development and humanitarian assistance for the Sahel region
- Capacity building of 5,000 officers in sectors such as judiciary, media, local government and security

^{*4} More information is available on the Ministry of Foreign Affairs website: <http://www.mofa.jp/jofa/files/000006374.pdf>

^{*5} Small Horticultural Empowerment Project – The use of trainings to enable small-scale farmers to participate in market surveys to select crops that are in demand in an aim to increase the income of farmers. See page 54.

^{*6} Ensuring universal access to basic health care services to all people. See page 55.

In the past, Japan assisted in the development of Africa mainly through ODA. However, private-sector investments in Africa from around the world have increased rapidly along with

Case Study ODA Loans to Botswana and Zambia

Construction of the Long-Awaited Kazungula Bridge in Southern Africa

The border between Botswana and Zambia has long been a bottleneck in the North-South Corridor. JICA extended ODA loans to both countries in FY 2012 for the construction of the "bridge of dreams."

In October 2012, JICA signed ODA loan agreements to provide up to about ¥8,735 million to the Republic of Botswana and 2,877 million to the Republic of Zambia for the Kazungula Bridge Construction Project. As part of Enhanced Private Sector Assistance (EPSA for Africa), this bridge across the Zambezi River is co-financed with the Africa Development Bank.

Botswana and Zambia aim to move away from economies dependent on natural resources by diversifying their industrial sectors and bolstering trade. Both countries have high expectations for the Kazungula Bridge, as it will expedite the flow of goods on the North-South Corridor, leading to the gateways of the Port of Durban in South Africa. However, prior means of

crossing the Zambezi River is by ferry, creating long queues of cargo trucks and passengers on both sides of the border. On average, a truck driver will need about 30 hours to cross the Kazungula border. This is why Botswana and Zambia, along with other southern African countries, have longed for construction of a bridge to relieve them of this trade barrier.

Funds from this ODA Loan will be used for the construction of the Kazungula Bridge, a 930-meter steel road and railway bridge spanning the Zambezi River. The ODA Loan will also fund new customs facilities (One Stop

Border Posts) which will simplify customs procedures. Enhanced customs procedures will also contribute to eliminating this bottleneck, by shortening border crossing time to six hours. Construction of the bridge is to be completed in March 2018.



A ferry carries a large truck across the Zambezi River.

the continent's economic growth. Since 2005, the amount of Foreign Direct Investments has consistently exceeded that of ODA. Today, Africa not only requires ODA for infrastructure projects, human resources training and other activities but also private-sector investments for the growth of agricultural and industrial output, the creation of jobs, technology transfers, and other activities.

Japan's Assistance Package for Africa announced by Prime Minister Abe at TICAD V underscores the prime importance of promoting public-private-partnerships combining ODA and private investments. JICA plans to deploy a diverse array of measures in accordance with this package. Several examples of priority initiatives are explained below.

2. JICA Priority Activities

(1) Promotion of regional integration and development of growth corridors

Since around 2005, regional economic communities (RECs) such as the East African Community (EAC) and Southern African Development Community (SADC) have been playing a central

role in a number of initiatives. Examples include regional infrastructure projects, elimination of intra-regional tariffs, and simplifying and harmonizing immigration and customs procedures. These actions have been producing benefits such as regional market integrations and the steady growth of regional trade. Accelerating and deepening regional integration is also important for enabling Japanese companies to start operating in Africa, because these moves can expand African markets, lower the cost of procuring raw materials and transporting goods, and yield other advantages.

Since TICAD IV, JICA has been extending assistance in areas such as the establishment of regional infrastructures and promotion of the One Stop Border Posts (OSBP). Following TICAD V, JICA continues to provide the same support while upgrading its activities in line with the commitments with regard to infrastructure development (public-sector investments of ¥650 billion (\$6.5 billion) and other items) in Japan's Assistance Package for Africa. Moreover, JICA will promote the comprehensive development of corridor regions. This includes efforts to achieve comprehensive development of basic

Case Study Cooperation for Industrial Policies in Ethiopia

Increasing the Use of *KAIZEN* and Upgrading Mathematics and Science Education

Ethiopia is considered the center of African politics and diplomacy because it hosts the headquarters of the African Union and the United Nations Economic Commission for Africa. The country is also expected to play an important role in achieving peace in the Horn of Africa. Economic growth has been strong in Ethiopia over the past several years but the manufacturing sector is stagnating. JICA is extending assistance in improving quality and productivity in the private sector, upgrading mathematics and science education to foster human resource development centers for business and industry.

Project on Capacity Building for Dissemination of Quality and Productivity Improvement (*KAIZEN*)

JICA's *KAIZEN* project in Tunisia attracted the attention of Meles Zenawi, the previous prime minister of Ethiopia. With his guidance, the government of Ethiopia established the Ethiopian Kaizen Institute under the direct oversight of the Minister of Industry in 2009 and asked for cooperation from Japan.

JICA extended assistance for increasing the capacity of the institute's staff, transferring technologies for implementing *KAIZEN*, preparing manuals and formulating a plan for a nation-wide dissemination of *KAIZEN* approach. In addition, 30 pilot project companies were chosen for Technical Cooperation. Using *KAIZEN* resulted in significant improvements

at these companies such as increase in sales and worker productivity and reduction in costs and the occurrence of defects.

This performance led to measures starting in November 2011 to create a framework for using *KAIZEN* nationwide. Ethiopia plans to extend training to 265 companies, including small-scale businesses. The goals are to establish the required organization and systems at the Ethiopian Kaizen Institute, upgrade the capacity of consultants at the institute, and make other improvements.

National Pilot Project for Strengthening Mathematics and Science Education

The primary education enrollment rate in Ethiopia has improved to more than 70% but only 58% of students complete this education. Furthermore, students have a low level of academic achievement. JICA is providing support for the capacity development of teachers, improving teaching materials and other measures.

Particular emphasis is placed on mathematics and science education in Ethiopia because of the country's desire to become more industrialized. Since 1998, JICA has been conducting projects for strengthening mathematics and science education in Kenya

and other African countries. Based on the results of these projects, JICA started the National Pilot Project for Strengthening Mathematics and Science Education in Ethiopia in FY2011.

The project establishes model districts where mathematics and science teachers for the seventh to eighth year primary education (equivalent to junior high school in Japan) receive guidance and training. In order to oversee the training, JICA dispatched both long-term and short-term experts in mathematics and science education to Ethiopia. In addition, mathematics and science teachers had opportunities to receive training in Indonesia and Japan. The project aims at improving the quality of students-centered classes through abovementioned supports.



A *KAIZEN* training session



A class where students are the focus of activities

infrastructure (roads, ports, electric power, etc.) and surrounding corridor regions through formulating projects in line with the Programme for Infrastructure Development in Africa (PIDA)*⁷, implementing strategic master plans and other means.

*7 A medium to long-term regional infrastructure plan covering the entire continent that was created by the African Union and Africa Development Bank

(2) Human resources development for business and industry

Africa has an abundant pool of labor. The working age population*⁸ was 550 million in 2008 and is expected to rise to 1,070 million by 2040, exceeding the size of that of China and India. Utilizing this large number of workers sufficiently is vital in achieving sustained economic growth in Africa. In some African countries, high unemployment among young people has become a social challenge which requires creating jobs as well as improving the quality of education (such as by upgrading basic academic skills, creating a practical curriculum and improving teaching methods).

The quality of labor force, engineers, and midlevel managers are also important to promote investment of Japanese companies in Africa. The key characteristic of foreign direct investment by Japanese companies is that it is accompanied by creation of jobs, the development of the skills and the transfer of technologies through employing local workers. Such operation creates significant benefits for host countries, therefore many African countries are eager to attract Japanese companies.

JICA is operating the Strengthening of Mathematics and Science in Secondary Education Project (SMASE) in 27 countries and also supporting engineering universities in Kenya, Egypt and South Africa. In addition, currently in Africa, attention is growing on the *KAIZEN* approach for boosting productivity and



Assistance at Egypt-Japan University of Science and Technology (E-JUST)



Assistance in South Sudan for strengthening mathematics and science education (SMASE)

quality, which is one of the strengths of Japanese companies. Requests for establishing the systems and personnel training needed for *KAIZEN* are climbing rapidly.

Based on the human resources development commitment of Japan's Assistance Package for Africa (training of 30,000 people, establishment of 10 TICAD human resource development centers for business and industry, etc.), JICA will widen its efforts in human resources development assistance in Africa. Activities will also focus on providing people with the skills required for development for local industries and for creating an attractive environment for Japanese companies to invest in Africa.

*8 Population between the ages of 15 and 64

(3) Agricultural development

Africa has a huge agricultural potential but significant progress has not been seen in agricultural productivity for many years. Since the continent is unable to meet the rising demand for food as its population grows, Africa imports a huge amount of food, of which the volume is larger than in Japan*⁹. Due to the potential and the enormous internal demand for food, Africa is one of the world's most attractive continents for agricultural development. To this end, Africa needs to raise the incomes of individual farmers. Plans for agricultural development are to be created at the national level, productivity is to be raised by modernizing agricultural operations and market-oriented agriculture such as growing value-added crops must be introduced.

At TICAD IV, in 2008, JICA formed the Coalition for African Rice Development (CARD) in order to achieve the TICAD IV commitment of doubling the rice production in Sub-Saharan Africa over the next 10 years. JICA assisted in the preparation of National Rice Development Strategies in 23 countries participating in CARD, and extends support to these countries in line with these strategies. JICA continues to provide this support in order to reach the goal of doubling rice production by 2018.

The Small Horticulture Empowerment Project (SHEP), which started in Kenya, aims to increase the capacity of small farmers to tackle on their challenges in cultivations, farming management and logistics in order to achieve operations that meet market needs. Furthermore, progressive gender mainstreaming, such as using separate indicators for men and women, was used to increase the incomes of small horticultural



Comprehensive development for Mozambique's Nacala Development Corridor



A training session in Kenya that is part of the Small Horticulture Empowerment Project

*9 In 2009, Africa imported \$53.2 billion of agricultural products and Japan imported ¥35.7 billion. Furthermore, imports account for 45% of rice and 85% of wheat consumed in Africa. (FAO statistics)

farmers. As a result, incomes of farmers who received this assistance have doubled. At TICAD V, Prime Minister Abe announced that this SHEP approach will be extended to 10 countries.

(4) Universal Health Coverage (UHC)

There has been progress with health-related MDGs indicators in Africa regarding vaccinations for children, prevention of the spread of HIV/AIDS and tuberculosis, and the malaria mortality rate. Achievements are starting to appear for reducing the maternal mortality rate. However, the majority of African countries find it difficult to achieve the MDGs by 2015.

In Africa as well, a certain number of people have gained access to basic health care services. But many African people are still unable to receive necessary health care services for economic, geographic or physical reasons. The disparity between people with and without access is a major challenge.

Universal Health Coverage (UHC) is an approach to eliminate the gap in health care services based on how much people earn or where they live. The approach includes training people and building facilities, institutional and economic measures involving such as reforms for financing health care and extending health insurance to more people.

Japan is a country that achieved UHC, where the whole population is covered by public health insurance system. Japan utilizes its experience to promote UHC in Africa in a manner that reflects the needs of each country.

(5) Peace and stability

Peace and stability are the premises for all aspects of development and growth. Civil wars and other conflicts occurred frequently in Africa during the 1990s. Since 2000, many of these conflicts have been resolved. Even in Somalia, which has been in an anarchical confusion since the 1990s, a federal government was formed in 2012.

In Northern Africa and the Sahel region, there have been conflicts between Islamic extremists and other terrorist groups and government security agencies. Since 2012, stabilization appears as a pressing issue for this region, with a conflict in northern Mali and an incident of kidnapping in Algeria occurring.

JICA is implementing short-term measures such as human resources development at the legal and judicial and security agencies of African countries. There are also medium and long-term activities tackling the economic and social causes of conflicts. Poverty reduction, job creation and disparity reduction are pillars of these activities, which enable JICA to contribute to peace and stability in these regions.

Case Study Assistance for the Reconstruction of Côte d'Ivoire

Toward the "Second Ivoirian Miracle"

Côte d'Ivoire is well known as a principal producer of coffee and cocoa beans. This country, one of the leading countries of Western Africa, experienced social and economic stagnations during the past decade due to its political and economic turmoil. After the end of the turmoil, Alassane Ouattara was installed as the president and a nation-wide election for the national assembly was held peacefully in 2011, Côte d'Ivoire is advancing rapidly toward its reconstruction and development.

JICA quickly resumed its assistance to Côte d'Ivoire and started its cooperation in urban planning for Abidjan, economic capital of Côte d'Ivoire. A beautiful city, historically called as "Paris of West Africa", now faces some challenges due to urbanization. Confused land use, insufficient infrastructures and limited public investments for essential social services are the examples of these challenges. To find the solutions for these challenges, JICA started a preliminary study in 2012 to analyze the current conditions and previous urban plans of the city of Abidjan. Based on the study, JICA started full-scale technical cooperation for development planning from February 2013 aiming at the preparation of the plan of urban development and its transportation in the target year of 2030. In addition, JICA has initiated capacity development in the sector of urban planning of Côte d'Ivoire in the form of training programs in Japan.

Looking to the revitalization of its economy, JICA also focuses on the assistance for private-sector development. The goals are to support the growth of Ivoirian enterprises and to

strengthen Japanese private-public partnership to promote investment to Côte d'Ivoire. At the same time, JICA dispatches Japanese experts to Côte d'Ivoire in the sectors of agriculture and fishery (aquaculture) to achieve growth of these domains. These assistances will surely contribute the improvement of current challenges in food security in Côte d'Ivoire.

Along with these activities, JICA is contributing to advance the country's reconstruction and its social cohesion. In these areas, JICA is to launch projects that will allow the communities of Abidjan, and the central and northern regions of Côte d'Ivoire where people

have experienced severe difficulties during the period of turmoil, to receive JICA's assistance of community support and human resource development to realize national reconciliation and social cohesion.

Peace and reconstruction in Côte d'Ivoire is essential for the peace and the stability of Western Africa, therefore JICA accelerates its assistance toward Côte d'Ivoire.



Highways, congested every morning and the evening, are the primary means of transportation in Abidjan.



Egypt: The oasis city of Faiyum, which is 30km south of Cairo, has been an agricultural center since ancient times due to an ample supply of water from the Nile. [Photo by Shinichi Kuno]



Akihiko Koenuma
Director General
Middle East and Europe
Department

Director General's Message

Middle East and Europe

From Contribution to Peace and Stability to Supporting Middle-Income Countries

The Middle East, where Japan relies 90% of its oil imports, and Eastern Europe, which consists a part of Europe, are both important business partners for Japan. The peace and stability in these regions, therefore, has a great significance. These regions are potential markets where Japanese ODA could lead to business opportunities for Japanese private companies. In fiscal 2012, JICA was involved in diverse activities in the Middle East, Eastern Europe and North Africa, which ranged from supports for nation-building (i.e. fostering industries and human resources, promoting democracy and peace-building) to supports for business start-up of Japanese companies.

The political unrest in the Middle East from 2011 was caused by city-rural disparities, youth unemployment and other issues, for which solutions are yet to be found. The situation in the Middle East has become even worse due to ongoing civil war in Syria and continuous outflow of refugees to the neighboring countries. JICA is contributing to stability of the region from the standpoint of peace-building. On the other hand, JICA is also willing to provide support to countries with massive infrastructure construction needs in line with Japan's growth strategy. These are the two main pillars of supports provided by the Middle East and Europe Department.

In fiscal 2012, JICA sent experts to Egypt to support the establishment of a ten-year national development master plan. In addition, under the framework of a joint research project with the Brookings Institution (USA) entitled "Inclusive Growth Following the Arab Spring in the Middle East and Northern Africa", a co-hosted a seminar with participation of the World Bank and International Monetary Fund was organized. These activities aim at enhancing better governance of the Middle East and Northern African countries.

In Iraq, which is in transitional phase from post-war reconstruction to economic growth, JICA is providing ODA loans to finance infrastructure development with an additional view to help start-up operations of Japanese private companies.

In Eastern Europe, Japan's advanced environmental

technologies are helping their endeavor to tackle with their environmental issues as they seek to join the EU. At the same time, in Bosnia and Herzegovina and Kosovo, we continue to provide support for the consolidation of peace and nation-building. In Moldova, JICA provided the first ODA loan applying Special Terms for Economic Partnership (STEP) to import medical equipment, so as to open up a new opportunity for Japanese companies to enter the market in the movement of universal health care.

In fiscal 2013, we will continue to focus on activities using Japanese technologies. Especially in the Middle East, Japanese working ethics are highly valued and there are expectations to learn Japanese technologies and know-hows. To meet these expectations, JICA will continue to provide support on human resource development to Gulf countries with relatively high income levels. In collaboration with Morocco, JICA will provide effective support to Sub-Saharan African countries through South-South cooperation focusing on the water resource management and the use of renewable energy.

In spring of 2013, the construction of the Jericho Agro Industrial Park in Palestine was completed. This symbolic project for peace and prosperity is expected to lead economic growth of the region. Besides, in fall, the Bosphorus Strait metro tunnel in Turkey will open to traffic. The fiscal 2013 will also be a year of major accomplishments.

Middle East

— Towards Peace and Stability through 'Inclusive Development' that directly reach out to the People

The Middle East is a region rich in natural resources with huge development needs led by its rapid economic growth and expanding population. Japan relies on the region as a stable provider of energy essential for people's life and economic activities. Moreover, for Japanese companies, the Middle East is the next frontier for their overseas activities.

On the other hand, as the Middle East forms an important part of global trade route, growing political, social, and economic instability in the region threatens the mutually reliant international society. Japan is expected to continue to work together with the international community as part thereof to promote peace and stability to the Middle East.

Meanwhile, North African countries, which consists a part of the Middle East region, are in the position to lead the development of the African continent. Japan's supports to their activities in providing assistance to Sub-Saharan Africa are expected to improve the capacity of North African countries themselves as well as to contribute to the TICAD Process.

Special Feature

Program Goals and Overview

Concrete Initiatives

Cooperation Modality

Operation, Management and Evaluation

Data and Information

Key Aid Strategies

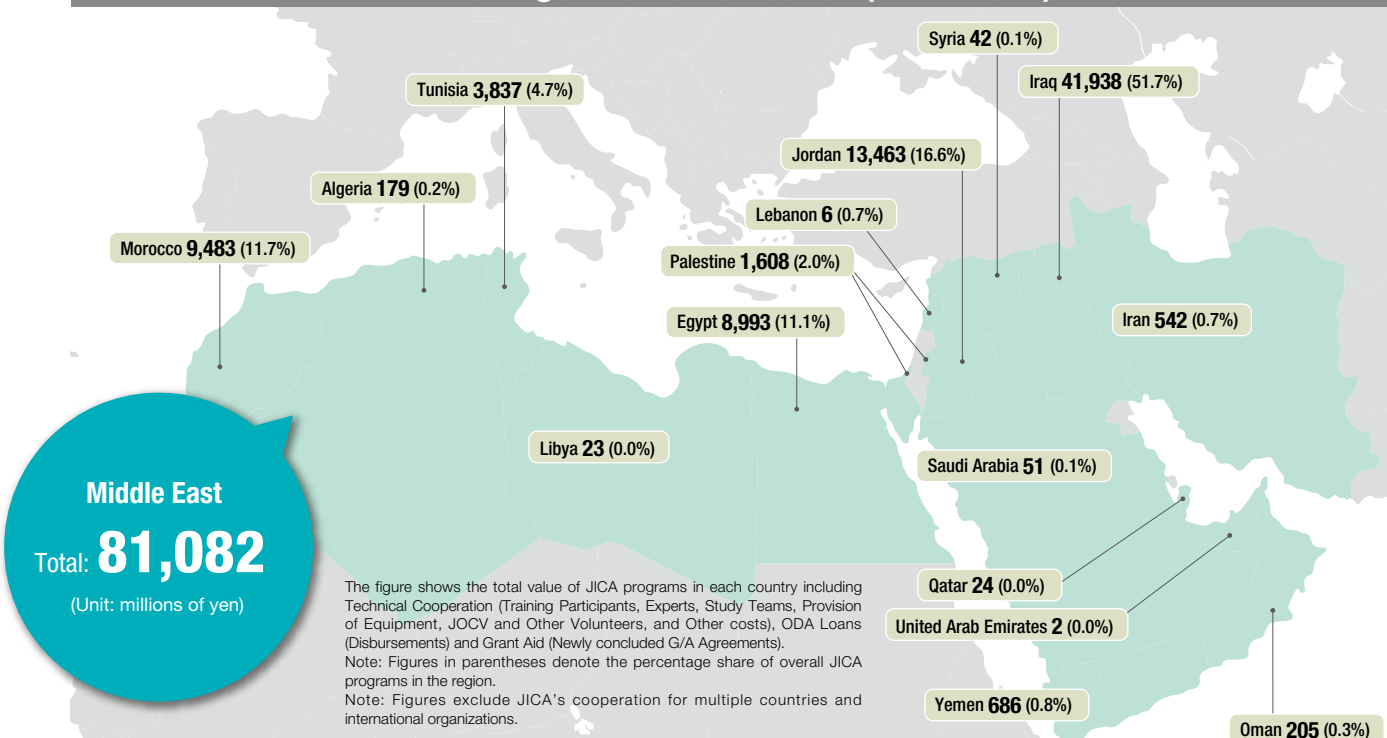
- 1: Promoting Stability in the Countries Undergone Political Changes
- 2: Peace-building and Reconstruction
- 3: Supporting Japanese Companies to Start Operations in the Region
- 4: Contribution to TICAD Process

Promoting Stability in the Countries Undergone Political Changes

Problems of city-regional, socio-economic disparities and youth unemployment lie in the background of political disturbance across the Middle East in 2011. JICA is providing cooperation to the region, keeping in mind its 'Inclusive & Dynamic Development' principles. The main focus of JICA's assistance is in the priority areas announced by the Japanese government, namely; 1) fair political processes and administration, 2) job creation and fostering industries and 3) human resources development.

In Egypt, following the revolution of February 2011, JICA has provided support to establish the National Development Master Plan that forms the base for the country's nation-building policies. The National Development Master Plan was officially announced within the country by the government of Egypt in November 2011 as the 'Strategic Framework for Economic and Social Development Plan until year 2022.' In relation to the priority area 2) job creation and fostering industries, Human Resource Development and Social Infrastructure Improvement Project has started in Jordan under the ODA loan agreement signed in August 2012. This project is

JICA Programs in Middle East (Fiscal 2012)



expected to contribute to fostering Jordanian domestic industries and improving public services. JICA is also supporting human resource development in the area of science and technology, through establishment of the Egypt-Japan University of Science and Technology (E-JUST) and Borj Cedria Science and Technology Park in Tunisia.

Peace-building and Reconstruction

After ten years since the outbreak of the Iraq War, people are still forced to live under harsh conditions due to lack of electricity and clean water caused by the destruction of socio-economic infrastructures. On the other hand, Iraq has one of the world's largest oil reserves and there is an enormous demand for infrastructure to keep up with its high economic growth rate. In order to meet these demands, it is also important to create a better business environment for private companies inside and outside Iraq. To address diverse needs for reconstruction, JICA is providing support focusing on; 1) strengthening the foundation for economic growth, 2) revitalizing the private sector, 3) improvement of the quality of life and 4) strengthening governance. In 2012, JICA began four ODA Loan projects and implemented training programs for human resource development in Japan, Jordan and other neighboring countries.

In Palestine, which is a key to the Middle East's peace process, JICA is engaged in the development of the Jericho Agro-Industrial Park (JAIP), the core project under the 'Corridor for Peace and Prosperity' initiative proposed by the Japanese government to support the construction of the future Palestinian state. In addition, JICA has been working with two East Asian nations, namely Indonesia and Malaysia, for capacity development of the people in Palestine since 2011. Moreover, in 2013, JICA and the Islamic Development Bank signed a memorandum to work together in order to further increase the support to Palestine.

In the meantime, the political protests in 2011 started from Tunisia and Egypt provoked insurrection and collapse of regime in many countries of the region. JICA resumed technical cooperation in Libya in 2012, in which, democratization process has been progressed step by step. And in Yemen, a new human resource development program to support nation building was implemented. In Libya, a three-year program on 'Prosthetic Arm and Prosthetic Leg Management' training for disabled civil war victims has begun. JICA also provided support to Syrian refugees. In February 2013, JICA provided emergency supplies to the refugee camp in Jordan suffered by local flooding.

Case Study Jordan: Host Community Support Program for Syrian Refugees

Helping both Syrian Refugees and Jordanian Citizens

Currently, many refugees are flowing into Jordan from Syria because of its unstable conditions. According to the Office of the United Nations High Commissioner for Refugees (UNHCR), the ever-growing number of Syrian refugees in Jordan reached approximately 552,000 as of October 28, 2013. JICA is collaborating with UNHCR to provide assistance to Syrian refugees and the host communities in Jordan.

The program is assisting the Zaatari refugee camp and the host communities where many Syrian refugees stay, with the goal of helping both Syrian refugees and Jordanian citizens. The program includes distribution of emergency aid supplies in the refugee camps and provision of equipment and materials to schools and hospitals in host communities suffering from the lack of such goods. In addition, JICA is dispatching Japan Overseas Cooperation Volunteers (JOCVs) to help with the program on a grass roots level.

Currently five JOCVs are on assignment. They have expertise in physiotherapy or child education, and are working in the refugee camps and the host communities respectively.

A JOCV working in the children's facilities in host communities says "I was impressed by children's twinkling eyes when I taught them simple letters or numbers. I want to continue to help these children have opportunities to learn."

Likewise, a JOCV assigned to a facility for the disabled in the host community says "Many people suffer from after effects from their injuries by gunshots or explosions because they did not receive adequate care. Although there are medical care facilities providing

free treatment to Syrian refugees registered with UNHCR, patients cannot always receive the care they need due to lack of medical departments or medicines."

One common observation to both of the JOCVs is "Even under these harsh circumstances, Syrian refugees remain positive, wanting to help each other."

In this way, JICA's assistance goes beyond from just providing material goods to providing human support. JICA strives to provide comprehensive support with geographical stretch that covers both inside and outside the camp and with both long and short-timeframes.



Syrian refugee children lining up ("Save the Children" building is in the background)

Supporting Japanese Companies to Start Operations in the Region

The Middle East is an attractive market for infrastructure businesses as well as an important partner to Japan as the provider of oil. However, in comparison to South East Asia where Japan has long historical ties and abundance of business experiences, the Middle East has been relatively difficult partner to deal with due to differences of culture and customs, and to its longstanding economic ties with Europe. Having this said, JICA started the 'Greater Cairo Metro Line No.4 Phase 1 Project' in Egypt applying the Special Terms for Economic Partnership (STEP) for the first time. This created a breakthrough for Japanese companies to enter the Egypt's underground railway construction market which mostly used to be monopolized by European companies. In Iraq, JICA opened an office in Baghdad in 2011 and is working closely with the Iraqi government to provide more opportunities for Japanese companies to operate in the country. Currently, approximately 40% of concluded procurement agreements in Iraq's ODA Loan projects are conducted by Japanese companies. At the same time, as the private sector development is one of the most important development issues in Iraq, JICA is considering to provide support for improving the business environment to promote

market entrances of private companies.

Meanwhile, JICA continues to provide technical cooperation to ODA graduate Gulf States. In 2012, JICA received trainees from Saudi Arabia and dispatched experts to Oman. Both beneficiary countries shared the costs for these programs.

Contribution to TICAD Process

JICA is supporting North African countries (Egypt, Tunisia, and Morocco) in providing south-south cooperation to the sub-Saharan African countries, with a view to effectively utilize the human resources formerly trained by Japanese technical cooperation. In 2012, Morocco hosted some 22 different training courses, on various themes ranging from maternal health care to harbor management, targeting Francophone African countries. Apart from south-south cooperation, the 'Mediterranean Road Construction Project,' an ODA loan project in Morocco, was completed in August 2012. This will contribute to the TICAD process by providing wide-ranging cross border transportation infrastructure.

Case Study Egypt: Support for National Development Plan and for Elections

Assisting Egypt's Efforts to Build a New Country

Since the February 2011 revolution, JICA is supporting Egypt's efforts to build a new country, through the formulation of a national development plan. JICA also dispatched experts and received trainees to support the democratic election process.

Egypt requested Japan for assistance to learn from the example of Asia, which achieved rapid economic growth by incorporating Western values while maintaining its tradition and culture.

From March 2011, JICA dispatched election specialists with long experience at international institutions to Egypt. These specialists sat down with the Egypt's electoral commission and government-related bodies and gave advice on how to run the elections, including establishment of a democratic election system and education of eligible voters on the election process.

Mr. Abdul Moezu Mohammed, the High Commissioner of the Supreme Presidential Electoral Commission (SPEC) at the time, said "There is a lot to learn from Japan's experience as an Asian democratic country. Egypt will seek advices from Japan on how to overcome upcoming issues." This statement shows Egypt's strong will to build a democratic nation using Japanese knowledge and experience.

Egypt's major issues after the revolution were to create a vision for the country that better reflects public opinion, to formulate a strategic

and transparent development plan and to implement it. JICA supported the formulation of the development plan by dispatching experts and by holding knowledge-sharing seminars inviting national development planning ministry staff from Indonesia and Turkey.

As the result, Egypt established the 'Strategic Framework for Economic and Social Development until 2022.' JICA plans to provide further assistance to build systems to formulate and implement the execution plans based on the framework.



A woman casting her vote at a polling station for the presidential election

Europe

Supporting Eastern European Countries to join the EU

Many European countries belong to the European Union (EU) and most of non-member countries in Eastern Europe are working on economic and social development with a view to becoming a member in the future.

JICA focuses on three sectors where Japan has comparative advantages namely; (1) Environmental protection, (2) Peace consolidation and (3) Private sector development. In so doing, consideration is given to the close relationship between Eastern European countries and the EU, as well as to the prospect that these countries would graduate from ODA when they eventually join the EU.

Key Aid Strategies

Environmental Protection, Peace Consolidation and Private Sector Development

Environmental Protection

Countries wishing to join the EU are obliged to establish environmental standards in line with those of the EU. For example, they will have to comply with restrictions on pollution from thermal power plant emissions and produce 30% of their electricity from renewable energy sources. JICA supports countries in achieving these requirements.

The Flue Gas Desulphurization Construction Project for Thermal Power Plant Nikola Tesla is the first ODA Loan project for Serbia. Through installing equipment that will reduce SO₂ and dust emissions, the project hopes to improve the environment and enable the country meet EU environmental standards with a view to future EU membership.

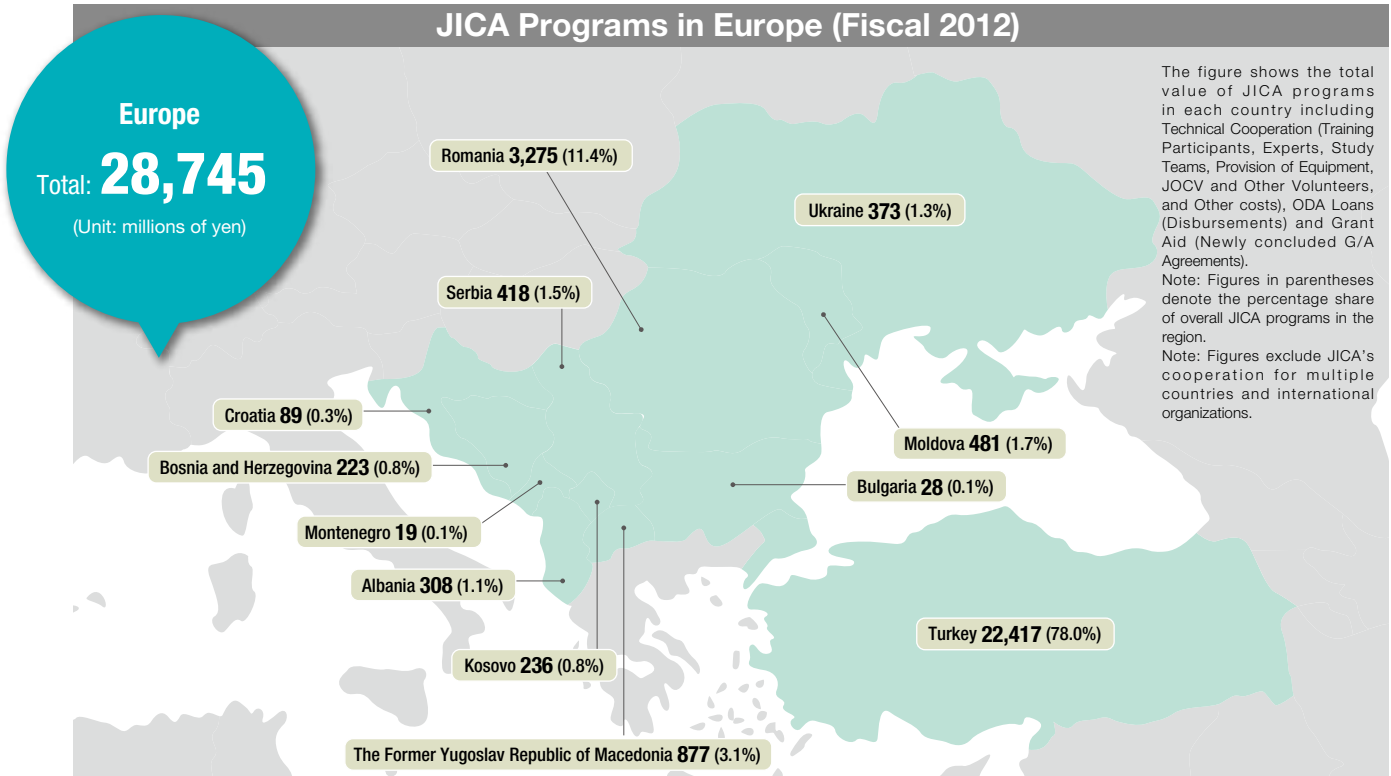
ODA Loans for environmental improvement at thermal

power plants have been extended to Bosnia and Herzegovina and Romania as well. JICA also has many other environmental projects, such as waste management in Kosovo. Overall, environment protection is a major element of JICA's activities in Europe.

Peace Consolidation

Countries in the Western Balkans have now recovered from ethnic conflicts and civil wars of the 1990s. However, these countries still face many challenges that include high unemployment and persistent ethnic tensions. Building a stable society in which different ethnicities can coexist is a paramount issue and requires international support. At the 2004 Conference on Peace Consolidation and Economic Development of the

JICA Programs in Europe (Fiscal 2012)



Western Balkans, participants agreed that stability of the region would be achieved through fostering their accession to the EU.

JICA has been providing assistance to foster coexistence and thus encouraging these countries to achieve EU membership. The Project for Confidence-Building in Srebrenica on Agricultural and Rural Enterprise Development (SACRED), a Technical Cooperation project in Bosnia and Herzegovina, supports agricultural and rural development activities through cooperation by residents of different ethnicities. By facilitating interaction among ethnic groups, this project is making steady progress with fostering bonds based on trust.

Private Sector Development

The Western Balkans as well as Moldova and Ukraine are emerging as an export hub to EU countries. In particular, the Western Balkans represents a huge market thanks to the region's relatively high per capita gross national income and population of more than 50 million. Furthermore, there are no tariffs within the region because of the Central European Free Trade Agreement (CEFTA). To foster the potential of the region, JICA supports economic revitalization through promoting tourism, the growth of SMEs and social infrastructure projects.

Turkey

Turkey has been playing a key role as a bridge from Asia and the Middle East to Europe. In recent years, its economy has

shown remarkable growth. Because of its balanced diplomatic ties with the United States, Europe, the Middle East, the Caucasus and the Central Asia, Turkey exerts a strong influence over the surrounding regions. JICA recognizes Turkey as a mutual global partner and strengthens that partnership by extending ODA Loans and Technical Cooperation.

Specifically, JICA focuses on improving the business and investment environment to secure sustainable economic development. To this end, upgrading disaster prevention methods and disaster preparedness is one of the priorities, in order to minimize the impact of a disaster on economic activity.

In fiscal 2012, preparations began for a Technical Cooperation on disaster risk management and a Science and Technology Research Partnership programs on disaster prevention research to mitigate earthquake and tsunami damage.

JICA also carries out triangular cooperation projects with the Turkish Cooperation and Coordination Agency (TIKA) to disseminate Japanese expertise to Turkey and its neighboring countries. This is in response to the regional development issues in collaboration with both agencies as a development partner.

Case Study

Moldova The Project for Improvement of Medical Care Service

Provision of Medical and Laboratory Equipment and Technical Cooperation

The Republic of Moldova is a small Eastern European country with a population of about 3.5 million. A landlocked country sharing borders with Romania, an EU member, and the Ukraine, a former Soviet bloc nation, Moldova serves as a link between the EU and the former Soviet bloc. Although medical care services are improving in Moldova, there are still lack of medical and laboratory equipment. JICA is providing equipment and technical support.

After Moldova gained its independence from the Soviet Union, the country's economic and fiscal conditions deteriorated, putting pressure on its medical care services budget. As a result, citizens did not have good access to medical care. This situation was caused by 100% state covered medical care expenses and by an excessive number of hospitals operating inefficiently. In the following 20 years, the government reformed its medical care finance system by introducing mandatory health insurance. The quality of its medical services also improved through streamlining health care system. Moldova is now regarded as a model of medical care sector reform.

Although Moldova's medical institutions have relatively high level medical care staff, there is lack of adequate medical care equipment. In addition to modern equipment for general diagnosis and treatment, the medical institutions require advanced equipment

to treat growing number of cardiovascular disease and cancer patients. To that end, JICA is giving impetus to Moldova's medical care reform through an ODA Loan project entitled 'the Project for Improvement of Medical Care Service' to provide medical care equipment and supplies.

JICA is also considering further support through a Technical Cooperation project with aim of improving equipment maintenance skills and clinical techniques using Japan's comprehensive

medical technology.



JICA Vice-President Masakazu Ichikawa and Moldova's Minister of Health Andrei Usatii signing the agreement.

Millennium Development Goals (MDGs)

The Attention and Cooperation of the International Community are Essential in the Resolution of Issues of Poverty and Human Development

Global Progress toward Achieving the MDGs

During the Millennium Summit held in September 2000 in which 189 countries participated, the United Nations (UN) Millennium Declaration was adopted, and it set the goals to be achieved by the international community in the 21st century. The Declaration served to clarify the direction and role of the UN on issues of peace and security, development and poverty, the environment, human rights, and protecting the vulnerable. The Millennium Development Goals (MDGs) were then established as a common framework by integrating this Millennium Declaration and the international development goals adopted by major international conferences and summits in the 1990s. The MDGs consist of eight goals to be achieved by 2015.

Over the 13 years since the establishment of the MDGs, there has been unprecedented progress in many countries with regard to reducing poverty and meeting basic human needs (BHN). Looking at specific targets, the population ratio of impoverished people has been cut in half and goals for access to safe water have been achieved. However, the rate of achieving targets concerning maternal and child health is low.

JICA Activities to Achieve the MDGs

JICA is taking actions from the following standpoints to achieve the MDGs.

● JICA's Philosophy to Achieve the MDGs — Human Security and the MDGs

Initiatives in countries around the world are producing some progress toward the MDGs. But there are big differences in this progress. Faster actions are needed for regions and issues that are falling behind. Furthermore, climate change, the rising cost

of food and energy, and natural disasters pose significant risks for achieving the MDGs. Actions must be taken to deal with these risks. Reaching the MDGs and achieving peace and stability are closely interlinked goals. This is why measures are needed to prevent conflicts from starting or reoccurring in order to establish peace. Mutual dependence is increasing worldwide. As a result, it is even more important to extend assistance from the standpoint of safety with respect to the safety and security of each individual rather than for an entire country. Building societies and frameworks in which no category of people is excluded will be critical to fulfilling the MDGs.

Japan has accumulated much expertise from the country's postwar modernization and revitalization as well as from cooperation extended to other Asian countries. JICA will draw on these experiences while taking actions that respect the ownership of developing countries. In addition, lessons have been learned from successful programs in Asia that used sustainable growth to reduce poverty. JICA is sharing these lessons with many people in Africa and other regions. JICA will also strengthen partnerships with other aid-giving countries, including emerging countries, international organizations, civil society, private-sector companies, and many other entities. JICA is dedicated to achieving security for people as the mutual connectivity of numerous global issues grows.

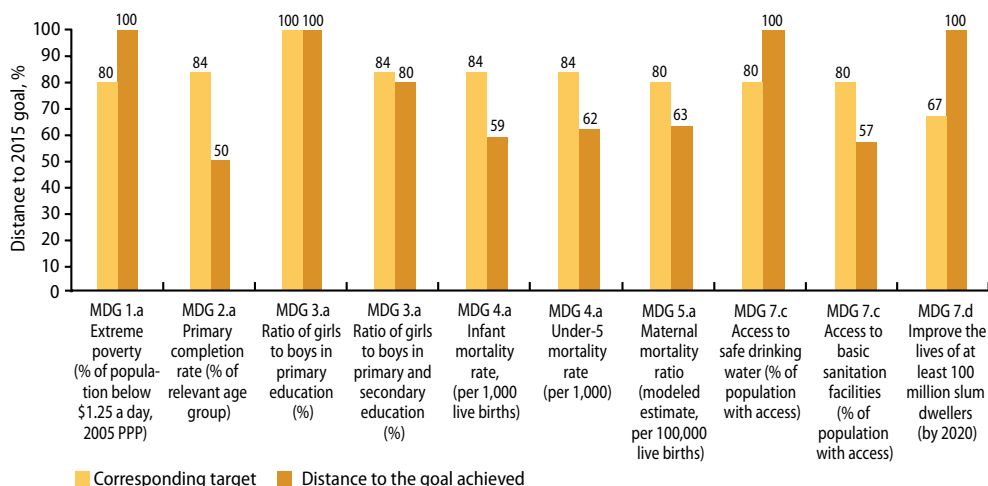
● Applying the Experiences of Asia to the World — Poverty Reduction through Sustained and Inclusive Growth

In Africa, the small market size of individual countries makes it difficult to achieve growth and reduce poverty. In comparison, economic growth in Asia has played a major role in lowering poverty in this region.

Japan has provided assistance for policymaking, institutional development and human resource development. In addition,

Global progress toward achieving the MDGs

Developing countries, percent of total required progress between 1990 and 2015, as achieved in 2010 or 2011.



Source: IMF Global Monitoring Report 2013

Japan is helping build the socio-economic bases that are vital for economic activities. Taking these actions has allowed Japan to contribute to sustained growth in Asia. By implementing these measures in a unified manner, Japan has helped promote trade and investments, expand industries, raise productivity and achieve progress in other areas. The result is private-sector growth that led to economic growth and more jobs. JICA will extend assistance that reflects conditions in other countries while using its experiences in Asia.

● Overcoming Global Risks around the MDGs — Taking Measures to Tackle Global Issues

The population of the world passed 7 billion in 2011. Problems involving water, food, energy and other items are becoming increasingly severe. The world appears to be approaching its limit. Climate change, natural disasters, environmental destruction, conflicts and other problems are taking the world to this limit even faster. To achieve the MDGs and sustain the resulting benefits, there must be actions aimed at these global issues and peacebuilding. Measures taken by the international community and individual governments are not enough. People must be given the power to deal themselves with risks and external shocks. To respond to risks associated with the MDGs as well, JICA will use a comprehensive approach extending from policies and institution building for national governments to increasing the capacities of people.

● Catalyzing Development Partnerships

Sources of development assistance have become more diverse in recent years. South-South and triangular cooperation, civil society and private-sector companies are frequently involved in these activities. One effective way to reach the MDGs is to increase the quality and scale of development assistance by deepening collaboration among these participants. South-South cooperation makes it possible to share knowledge about solving problems in developing countries, which all have similar social and economic environments. Triangular cooperation involves adding the involvement of donor countries in order to achieve the best mix of knowledge for the differing stage of development in each country. This cooperation has been attracting increasing attention in recent years as a structure of cooperation that can

make a greater contribution by upgrading capacities in a manner that reflects needs of developing countries. Since starting third-country training in 1975, JICA has remained the leader in the field of South-South and triangular cooperation.

The role of the private-sector in development activities is growing along with the increase in private-sector company operations and investments in developing countries. Events in recent years have once again shown that economic growth is vital to reducing poverty. This is why ODA needs to function even more as a catalyst for utilizing private-sector capital and people, such as by using private-sector business activities and creating a favorable environment for investments. In addition, civil society and other entities are replacing or supplementing the roles of JICA and other public-sector aid organizations with increasing frequency. JICA is aiming to upgrade the effectiveness of development assistance by further deepening collaboration with private-sector companies, civil society and other entities.

● After the Achievement of the MDGs — Contributions to creating a post-2015 development framework

The deadline for reaching the MDGs is less than two years from now. The international community is currently holding extensive discussions about a post-2015 development framework. Some MDG issues will not be achieved and there will be many new issues. The question is how to establish new goals while retaining the simple and easy-to-understand characteristics of the MDGs. Discussions and studies are taking place worldwide with the participation of civil society, governments and prominent individuals.

An agreement has been reached that the post-2015 development framework must have the proper balance among three elements: the economy, society and the environment. Reducing poverty was the central objective of the MDGs. Now targets are being considered by incorporating environmental and economic (growth, jobs, etc.) viewpoints, too.

Various individuals in countries worldwide will continue to discuss the post-2015 development framework. As part of the Japanese government, JICA will position safety and security for people as the philosophy for its guidance. JICA will participate in the debate about this framework while emphasizing inclusive growth and resilience.

The Eight MDGs



Eradicate extreme poverty and hunger



Achieve universal primary education



Promote gender equality and empower women



Reduce child mortality



Improve maternal health



Combat HIV/AIDS, malaria and other diseases



Ensure environmental sustainability



Develop a global partnership for development

Logos created by the NPO Hottokenai Sekai no Mazushisa (Don't let it be - World Poverty)



Indonesia: People use every space available to ride a local train at Manggarai Station on the Jabodetabek Railway. [Photo by Shinichi Kuno]



Kazunori Miura
Director General
Economic Infrastructure
Department

Director General's Message

Economic Infrastructure Development

Support for Establishing a Base for Nation-Building and Achieving Inclusive Development

The Economic Infrastructure Department is involved in laying a nation's economic foundation: urban and regional development planning and public infrastructure building. In addition, the department's activities widely cover gender equality, poverty reduction and peace building, which are central issues of the MDGs. This department thus deals with fundamental themes concerning development activities, and it extends effective assistance, by working closely with every other department at JICA.

The Economic Infrastructure Department extends assistance in the fields of urban and regional development, transportation, and information and communications. We aim to contribute to sustained economic growth of the developing countries, which is one of JICA's objectives set by its medium-term plan.

Let me mention about some of our activities in fiscal 2012. We formulated a development master plan for Greater Yangon in Myanmar, where rapid democratization of the country is also leading to its rapid urbanization. The master plan will guide the city toward a sustainable development in future. In Afghanistan, we assisted in the development of the Kabul metropolitan area, where urban functions cannot keep up with rapid population growth, both in human resources development and in infrastructure improvement. In Africa, we assisted with developing economic corridors that connect the land-locked countries to the coastal ones.

It is our priority to provide an effective support through partnerships with the private sector. In order to create a favorable business environment, to begin with, we assist for policy making and institution building with regard to infrastructures such as highways, bridges, railways, airports, harbors, ICT, etc. Then we cooperate in training people who operate and maintain these facilities. Plans to improve these facilities are also formulated

with a view to financing by Japan's ODA. This approach that encourages investments from the private sector is actively taken in the ASEAN region, Central and South America, Africa, etc.

Gender equality and poverty reduction are fundamental issues for all JICA programs. Our activities cover: establishing policies and institutions for gender mainstreaming; empowerment of women; financial inclusion for impoverished people, etc. The department also collects and analyzes information about gender and poverty in various countries, so that we can provide useful suggestions for each JICA project.

In order to reduce poverty and social disparities, which are often underlying causes of conflicts, our peacebuilding operations adopt a multi-sector approach: vocational training and agricultural development to create jobs, upgrading infrastructures, reinforcing state governance functions, etc.

In fiscal 2013, responding to the signing of the Framework Agreement concerning the Mindanao peace process in October 2012, we are starting full-scale assistance for the consolidation of peace and recovery of the conflict affected region in the Philippines. In Myanmar, where democracy is taking hold, we are extending more comprehensive cooperation. Furthermore, we plan to work hard on public-private partnerships and to prepare for the post-MDGs.

Gender and Development

Clarifying Gender-related Development Issues, Needs and Impacts



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

Gender can be defined within social and cultural contexts, and can refer to the roles of men and women as well as their mutual relationship. On a global basis, females are far more likely to be placed in socially, politically and economically disadvantaged positions than men. As such, one of the Millennium Development Goals of the United Nations is “gender equality and the empowerment of women.”

JICA promotes “gender mainstreaming,” a comprehensive approach to incorporate the perspective of gender in all stages of planning, formulation, implementation, monitoring and evaluation in all policies, programs and projects to clarify gender-based development issues, needs and the impacts.

● Overview of Issue

The ultimate goal of gender mainstreaming is to achieve “gender equality”* in all fields of society. It is a process of identifying men’s and women’s development issues and needs, as well as the impact on men and women of development policies, programs and projects, at each of the stages of planning, implementation, monitoring and evaluation. The process is based on the premise that the formulation processes and impacts of development policies, programs and projects are not neutral because they affect men and women differently.

Gender is often unconsciously constructed based on the mentality, culture, traditions and customs of a country and therefore also affects various policies, systems and organizations. Consequently, it is essential to support national machinery (national agencies, mechanisms and organizations striving for gender equality) such as the Ministry of Women’s Affairs to ensure that the policies and systems in partner countries adopt a gender-based perspective.

In most cases, however, statistics, data and indices are not tabulated according to gender. If a philosophy of gender is introduced without fully comprehending the society in a target region, it may in fact produce negative results such as exacerbating gender disparity. It is critical to collect and comprehensively analyze fundamental data needed for plans and projects by gender, age, ethnicity and religious affiliation, and to develop human resources who have this perspective.

Although it is important to promote women’s empowerment as part of efforts to advance gender mainstreaming, focusing solely on women may not achieve the desired results. This also requires changing the consciousness of men, decision-makers and socially influential people such as administrative officials, educators, politicians and religious leaders. In other words, it is necessary to reform the social structure and systems surrounding women. It is essential to review areas and projects that at first glance may appear not to require a gender perspective and provide support based on the different roles of men and women. For example, one form of support would be

developing agricultural equipment that is easy for women to use since they are responsible for the majority of agricultural work. Another example would be encouraging the participation of women in water quality control organizations.

● JICA Activities

For many years, JICA has considered the importance of gender issues and developed a basic strategy for implementing gender-responsive projects. JICA has also established an organizational framework for gender mainstreaming.

Actual assistance includes strengthening organizational capacity and creating policies and systems for gender equality in Cambodia and Nepal by supporting national machinery. To promote the empowerment of women, JICA provides support in wide-ranging areas including education for women, improving maternal and child health, and supporting female entrepreneurs.

Moreover, efforts are made to ensure that the perspective of gender is reflected in the results and actions in various fields. In the forestry industry in India, in addition to simply employing women, additional support was provided to increase their income so that women don’t have to cut young trees to get firewood; they can purchase alternative fuel instead. Under the Smallholder Horticulture Empowerment Project (SHEP) in Kenya, JICA focused on the role that women play in agricultural activities. The project secured the equal participation from both men and women in all types of farming activities, and conducts educational activities for men and women about gender related issues.

In recent years, there has been increasing recognition of the need to address new issues in gender and development,

*According to the “DAC Guidelines for Gender Equality and Women’s Empowerment in Development Co-Operation” issued by the OECD Department of Assistance Committee (DAC), “Gender equality does not mean that men and women need to become the same, but that their opportunities and life chances are equal. The emphasis on gender equality and women’s empowerment is not based on a single model of gender equality for all societies and cultures, but reflects a concern that women and men have equal opportunities to make choices about what gender equality means, and work in partnership to achieve it. Because of current disparities, equal treatment of women and men is insufficient as a strategy to achieve gender equality.”

such as trafficking in persons and other forms of gender-based violence. Trafficking in persons is a serious crime and a grave violation of human rights that inflicts severe emotional and physical suffering on the victims, who are mainly women and children, but include men as well. It calls for prompt and appropriate response from a humanitarian perspective, as well as from the perspective of putting a stop to international organized crime. In 2009, JICA started a project in Thailand to strengthen the capacity of organizations and staff to combat trafficking in persons. JICA also launched two new projects in

Myanmar and Vietnam to reinforce regional measures to combat trafficking in the Mekong region, based on the experience in Thailand.

In Nicaragua, serious crime is increasing and social risks young people face in this country have become an enormous problem. Domestic violence and sexual abuse are also increasing. To reduce these social risks, a JICA project is working on developing an integrated service mechanism for social risk prevention and effectively responding to the needs of communities and families.

Case Study **Cambodia**
Technical Cooperation Project “Project on Gender Mainstreaming Phase 2”

Strengthening the capacity of national machinery for supporting Women’s Economic Empowerment

There was an enormous loss of life in Cambodia during the civil war that lasted more than 25 years. Women have played an important role in the country’s recovery and development because the male population in their 40s and older is much smaller than the female population in this age segment due to the conflict. However, women have a lower social and economic status than men, and many female-headed households are forced to lead impoverished lives. To eliminate discrimination against women and create a fair and equitable society, the government of Cambodia established the Ministry of Women’s Affairs (MOWA) in 1996 for promoting gender equality and women’s empowerment.

Since the establishment of MOWA, JICA has been dispatching experts to MOWA to support the priority areas of the ministry. Examples are providing advice to line ministries for promoting gender mainstreaming and supporting collaboration and cooperation with related ministries. The Technical Cooperation Project “Gender Mainstreaming and Policy Development through Upgrading Information and Research Capacity Project” took place between 2003 and 2008. This project was focused on capacity development of MOWA staff for data gathering, investigation; policymaking and implementation; and monitoring and evaluation. Also, through the implementation

of pilot projects in Kampong Cham Province, policy recommendations to integrate a gender perspective into the sectoral policy of each line ministry were prepared and an effective mechanism for gender mainstreaming was formulated.

A subsequent technical cooperation project called “Gender Mainstreaming Project, Phase2” (2010-2015) is providing technical support to firmly establish the introduced mechanism during the previous phase for gender mainstreaming within the government. Another goal is to create an operational effective system for implementing women’s economic empowerment activities by the partner line

ministries (at central and local level) under the coordination of the MOWA. As a part of these activities, the project includes two pilot projects related to “agricultural production” and “agro-processing” for enhancing the capacities of relevant stakeholders in order to promote gender mainstreaming in each organization. Through the implementation of these activities, many positive effects are observed at the beneficiary level. These effects include a decrease in the amount of loans for agricultural inputs; coping with sudden expenditure such as child’s education and health care; a decrease domestic violence; a decrease in seasonal work; increasing opportunities for participating in decision making; and increasing harmony within families. Through the continuous efforts of this project in the future, it is hoped that the capacity of officials in MOWA and partner line ministries at the central level will be enhanced by using the feedback of several lesson learned from field level. Based on the experience of the project, comprehensive guidelines for the women’s economic empowerment will be developed at the end of the projects.



The Minister of Women’s Affairs (right center of photo) observes agro-processing pilot project activities.



Women learn about chicken raising techniques at the agricultural production pilot project.

Poverty Reduction

Supporting the Development of Essential Capabilities of the Poor



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

The proportion of the poor in developing countries as a whole has declined from 41.7% in 1990 to 24% in 2008 due in part to economic development in Asia. Nonetheless, nearly half of the population in Sub-Saharan Africa still suffers from extreme poverty. Moreover, recent increases in food prices and financial crises have led to fears that an increasing number of people will fall into poverty.

In order to promote JICA's vision of "inclusive and dynamic development," JICA identifies "reducing poverty through equitable growth" as one of its four strategies. JICA extends assistance for human resources development, capacity building, improvement of policies and institutions, and the development of social and economic infrastructure in developing countries.

● Overview of Issue

Poverty is an issue that cannot be ignored from the perspective of "human security," as outlined in the Japanese ODA Charter. The number of people living in poverty on less than US\$1.25 per person a day is estimated at over 1.4 billion worldwide.

In addition, natural disasters, environmental destruction and other factors make it difficult to continue traditional means of livelihood. This means some people are extremely vulnerable to poverty. Problems such as disease, unemployment, lack of education and social discrimination each impact the others. Once a person falls into this vicious cycle, the situation becomes even more serious. The original problems lead to other problems and a person cannot escape from this cycle easily. This is sometimes referred to as the "deprivation trap" and has become an urgent issue when tackling poverty reduction. Neglecting poverty and vulnerability may widen the gap between the rich and poor and intensify competition over resources, causing instability in society.

In recent years, the notion that poverty is the state in which the following five capabilities are severely lacking: Ability to ensure a stable and sustainable livelihood (1. economic capability); Ability to be healthy, receive basic education, and live in a sanitary environment (2. human capability); Ability to cope with various

"threats" which threaten peoples' lives (3. protective capability); and Ability to participate in a society in which people's dignity as humans and their culture and customs are respected (4. political capability, 5. socio-cultural capability).

● JICA Activities

In order to advance equitable growth and sustainable poverty reduction, JICA will strive to enable each and every person in poverty to escape by reinforcing the five capabilities and supporting the development of an environment in which these capabilities may be manifested. Specifically, JICA both: 1) carries out "poverty measures" to directly assist the poor as well as 2) makes "poverty considerations," by incorporating



Residents build a community road (Timor-Leste)

Building roads makes it easier for people to travel to clinics, schools, markets and other locations. Furthermore, participation by local residents in construction fosters a sense of ownership and helps improve highway maintenance.

creative approaches into projects in order to improve the circumstances of the poor by maximizing the project's benefits to the poor.

To this end, JICA gathers information on where and what kind of people suffer from poverty (targeting) and accumulates methods that are effective for poverty reduction. In addition, regarding methods that have been attracting attention in recent years, JICA furthers concerned-persons' understanding through training programs and study meetings. The goal is to enable the poor who are living on an unstable income to make stable

expenditures every month for items such as health care, education, and food. These meetings cover topics such as "microfinance," which provides savings services and very small loans; "conditional cash transfers (CCT)," in which a government redistributes income by directly providing cash or cash equivalents to individuals or households on the condition that they are qualified and fulfill certain obligations; and "labor-based technology (LBT)," which can generate short-term employment for the poor.

Case Study Microfinance Initiatives

An Alliance between Japan and CGAP for Financial Inclusion

For the poor with unstable lives, access to microfinance and other formal financial services is vital to improving their lives. To contribute to reducing poverty by improving financial access for the poor, JICA supports microfinance with technical cooperation, loan aid and other measures. In order to perform these activities effectively, JICA is strengthening a relationship with Consultative Group to Assist the Poor (CGAP), an international organization for Financial Inclusion.

Approximately 2.5 billion working-age people in the world are unable to access a bank or other formal financial services. Furthermore, 77% of the poor do not have access to financial services. This is a serious impediment to achieving sustainable economic growth and poverty reduction.

At international conferences like APEC and G20, there has been much debate in recent years about Financial Inclusion in order to enable everyone to use high-quality, convenient and affordable financial services. Microfinance is viewed as an effective tool for assisting the poor to become economically self-reliant by giving them access to financial services.

CGAP has played a leading role in the international debate about Financial Inclusion. CGAP is an international independent research and policy organization dedicated to expanding access to finance for the poor around the world. CGAP develops and shares best practices, sets standards and supplies technical tools to support the development of this field. Information about these activities is available on the CGAP website (<http://www.cgap.org/>).

More than 30 countries, development agencies and private foundations participate in CGAP. Japan has been a participant since 1997 and the Japanese Government through Japan's Ministry of Finance has made a contribution to CGAP every year since 2000. JICA serves as CGAP's focal point in Japan. In July 2012, Kazuto Tsuji, JICA Visiting Senior Advisor (and Professor of Saitama Univ.), was elected as a member of the CGAP Executive Committee and was subsequently appointed to chair the Executive Committee in July 2013.

In March 2013, the Ministry of Finance and JICA, with the support of the Ministry of Foreign Affairs, held a CGAP microfinance seminar

in Japan. Tilman Ehrbeck (CEO, CGAP) and Vijay Mahajan (the chair of the CGAP Executive Committee (at the time)), were invited to Japan. Mr. Mahajan is the founder and CEO of BASIS, a large microfinance institution in India. During the seminar, several points were discussed in the context of the current situation of developing countries. These points included recent developments involving microfinance, the potential of microfinance to alleviate poverty, several issues involving financial access to the poor, innovative efforts of CGAP to resolve these challenges, and cooperation between CGAP and Japan, including JICA. The lively discussion with more than 100 participants demonstrated the high public interest in financial inclusion and the event was covered by several reporters.

The microfinance seminar is just one

example of many forms of cooperation between CGAP and Japan, including JICA. Pioneering efforts of CGAP for microfinance and financial inclusion, such as research, policy recommendations and standards, are utilized effectively for the improvement of JICA's cooperation. JICA also shares with CGAP its basic-studies about financial needs of the poor and the results of projects to improve financial access for poor households and micro-small enterprises. In addition, JICA contributes actively to the discussions at CGAP about several themes associated with financial inclusion and policies formulation.

JICA and CGAP will continue to exchange and utilize the knowledge for promoting Financial Inclusion in developing countries.



CGAP CEO Tilman Ehrbeck (with Vijay Mahajan on the left)

Peacebuilding

Peacebuilding Support for Preventing Relapses of Conflicts



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

Most conflicts are internal disputes that take place in developing countries, primarily in the poorest countries and regions. In such internal conflicts, not only combatants but also ordinary citizens and children become both victims and perpetrators. Consequently, the impact on people's lives is significant even after the conflict ends.

In order to contribute to the promotion of peace and the prevention of conflicts and their recurrence, JICA is making concerted efforts toward the reconstruction of social capital and economic recovery to solve economic disparities—one cause of conflict—and provide equal opportunities as well as to restore the state system and functions and enhance security.

● Overview of Issue

The majority of conflicts in the world today are internal conflicts in developing countries, most of which take place in the poorest countries and regions in economic terms. While an increasing number of ordinary citizens are victimized, the divide between the military and civilians is fading as the number of conflicts where ordinary citizens or children are perpetrators increases.

Armed conflicts do more than just destroy the infrastructure that serves as a foundation for people's livelihoods; they also tear the bonds holding the society together and increase mutual

distrust and hatred. They destroy and leave a bitter legacy on the path to reconstruction. According to some statistics, 44% of countries return to a state of war within five years after signing a peace or cease-fire agreement (World Bank, 2003).

Aid for peacebuilding requires a comprehensive approach that combines three frameworks: military, political and social/economic. Military measures and political methods, such as preventive diplomacy, are important factors in the prevention and resolution of conflicts and the consolidation of peace, as is development assistance to correct economic disparities, and improving unequal opportunities and other factors that lead to conflict.

Case Study Cote d'Ivoire Support for Development of the Greater Abidjan for Peace and Stability

Project of the Development of Urban Master Plan and Project on the Reinforcement of Communities for Promoting Social Cohesion in Greater Abidjan

There are many problems in Abidjan, the economic capital of Cote d'Ivoire, ranging from poverty to a shortage of basic infrastructure facilities. JICA is providing support for the development of an urban plan for restoring urban functions.

The Republic of Cote d'Ivoire sustained a remarkable average annual economic growth rate of 8% after its independence in 1960 until the 1970s. The country was called "Ivorian miracle." Abidjan prospered and the city became known as the Paris of Western Africa. But following a 1999 coup d'état, there was political and economic turmoil that divided the country into halves. As a result, this once beautiful city became an enormous area of poverty. There is a shortage of basic social infrastructure components like schools, health centers, roads and drainage. In addition, there is an even more serious problem: stand-offs between regions and political parties resulting from turmoil that lasted more than 10 years. Furthermore, the limited labor market is unable to absorb the country's young people, former militants, and returning refugees.

Abidjan is the capital of the Cote d'Ivoire economy and is vital to the recovery and growth of the entire Western African economy. JICA supports the development of an urban plan for ending the prolonged stagnation, restoring its urban functions and quickly starting development work by using Japan's urban planning technologies and experience.

Resolving social instability is another

goal. As part of emergency support for this purpose, JICA is active in the two communes (Abobo and Yopougon) that were impacted most by the conflict. By rehabilitating the basic social infrastructure, creating more jobs and strengthening the capacity of city workers through implementation of projects, JICA plans to contribute to promoting social cohesion.



An evening traffic jam in the Plateau Commune, which is in the center of Abidjan



This market has formed on its own in Alepe on the outskirts of Abidjan.

● JICA Activities

JICA is working to contribute to the prevention of both the occurrence and recurrence of armed conflicts, taking into account the need for conflict prevention and pursuing positive impacts of the projects. JICA has assisted in attempts to alleviate the various difficulties faced by people during and immediately after conflicts and to subsequently achieve stable development over the medium and long term. Specifically, JICA supports 1) the reconstruction of social capital, 2) economic recovery, 3) rebuilding the governance system, and 4) security enhancement.

In recent years, JICA has been concentrating on extending support for advancing the peace process by using development projects that begin at the initial stage of reconstructing countries during or immediately after a conflict. One example is support for the peace process between the Moro Islamic Liberation Front (MILF) and the government of the Philippines. MILF has been struggling with an armed force in the central and western part of the Mindanao region to demand independence (subsequently changed to a highly autonomous status). To provide support, JICA has been implementing a socio-economic development program (called J-BIRD) that

started even before the peace agreement was signed. JICA also has been dispatching its staff to the International Monitoring Team (IMT) in Mindanao. In October 2012, the Philippines government and MILF signed the Framework Agreement for Bangsamoro. JICA will continue to extend assistance for the signing of the Comprehensive Peace Compact. JICA also will contribute to the establishment of the Bangsamoro Government as a new autonomous political entity in 2016 and to sustainable development for the stability in the region.

In addition, JICA is reviewing its experiences in past projects and sharing the compiled results at international conferences. The objective is to identify lessons that can be used to conduct projects that are effective at improving livelihoods and securing jobs for the residents of post-conflict countries and regions.

Going forward, JICA will accumulate knowledge and strengthen its support in conflict-affected countries and regions. JICA will also intensify its support in the field of peacebuilding through efforts such as human resource development to supply experts who can become involved in the process.

Case Study Support for Ethnic Minority People in Myanmar

Integrated Regional Development to Promote Peace

Conflicts have been taking place for many years in the border areas of Myanmar and many ethnic minority people have been forced to leave their homelands. As a result, these people have become internally displaced persons (IDP) or refugees in Thailand and other countries. JICA is providing support to encourage the movement toward peace.

It is said that Myanmar has more than 100 minority ethnic groups. In the seven states bordering Thailand, Bangladesh, India and China, people belonging to these minority groups outnumber the majority Burmese. There have been repeated conflicts between the central government and armed ethnic groups in these border areas. These armed conflicts have forced large numbers of people to leave their homes and become IDP and refugees in Thailand and other countries.

Following the establishment of a new government in 2011, Myanmar signed cease fire agreements with 11 major ethnic minority groups. The government continues to hold political dialogues with these groups that are aimed at reaching a peace agreement. In February 2013, JICA started the Preparatory Survey on Integrated Regional Development for Ethnic Minorities in the South-East Myanmar in Kayin State and Mon State, which are part of the region that ethnic minority groups that signed cease fire agreements have been controlling. In this region, a cease fire agreement was signed with the Kayin National Union (KNU), the largest armed group in Myanmar, for the first time in 63 years. JICA's objective is to provide assistance for social and economic development in order to promote actions that will lead to peace.

About 140,000 people live in refugee camps along the border between Myanmar and Thailand. Furthermore, some surveys

indicate that there are hundreds of thousands of IDP in other regions of the country. All of these people are in an unstable situation with no land or basic living environment. JICA is providing assistance to enable refugees and IDP to return and (re)settle in a sustainable manner. From a short-term standpoint, activities will include developing basic infrastructure such as water systems, road rehabilitation and schools as well as creating employment opportunities. To achieve stability from a longer-term perspective, JICA will work with both the Myanmar government and ethnic minority people, including returning refugees and IDP, to develop visions and goals with a time frame of 10 to 20 years for comprehensive regional development.

The aim of these socioeconomic development activities is to achieve regional



In an area with a cease fire agreement, Mr. Hashimoto explains that the government of Myanmar and armed ethnic minority groups will cooperate to provide assistance for improving the lives of residents of the region.

development while building trust among people and government institutions in these regions at various levels. JICA wants these programs to become models for development activities in states where other ethnic minority people live.

From Our Expert

Chief Consultant, JICA Study Team Tsuyoshi Hashimoto

This survey is highly significant from the perspective of the first development cooperation in Myanmar that covers a broad area. I think this development program will become a model for the benefits of development activities for other minority groups with respect to both its activities and the implementation system. I want to achieve tangible results that can be applied throughout Myanmar.



The survey team collects information about the lives of people in expected resettlement sites. (Photo by Akinori Sato)

Economic Infrastructure Development

— Infrastructures that Fulfill the Hopes of People



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

Infrastructures contribute to the sustained improvement in the quality of life by supporting the economic growth of a country or region and redistributing wealth. In today's era of globalization, low-income countries as well must become part of the global infrastructure network through measures like building more highways, ports and airports. Once these countries join the ranks of medium-income countries, they need to build even more expansive infrastructures due to urbanization, modernization, industrialization and other forms of progress. The result is a massive demand for infrastructure projects.

JICA provides assistance for infrastructure needs that differ for each stage of economic growth. One way is by preparing urban and regional development plans that include studies to determine the most suitable social systems and institutional frameworks. Transportation infrastructures, information and communication networks and other projects are then implemented based on those plans. JICA also extends cooperation for strengthening organizations and training people needed for the maintenance and operation of these infrastructures.

Urban and Regional Development

● Overview of Issue

The world's population is currently estimated to be 7 billion. In developing countries, the urban population has grown from 680 million in 1970 to 2.6 billion in 2010. By 2030, about 80% of the world's urban population is expected to be concentrated in developing countries. Growth of urban areas is vital to a country's economic development. However, large cities in developing countries cannot provide enough housing, infrastructure and employment institutions to keep up with the rapid inflow of people who are seeking jobs. As a result, many people are forced to live on unstable incomes in poor living environments. Furthermore, growth of urban populations causes pollution due to traffic congestion and the large volume of garbage, a decline in public security, and many other urban problems that are becoming more complex and serious every year.

● JICA Activities

In the postwar years, Japan as well experienced urbanization at an unprecedented pace that caused a variety of urban problems. To solve these problems, Japan constructed infrastructures and developed housing while establishing the standards required for urban development. Japan also focused on the development of new technologies in order to reduce pollution and boost productivity. In addition, Japan quickly began taking actions for disaster preparedness and recovery in order to reduce risks associated with earthquakes, typhoons and other natural disasters. JICA uses Japan's experience and technologies involving urbanization to support urban and regional development in developing countries in the following six sectors.

1. Establish a basic infrastructure that contributes to economic activities
2. Establish quality housing
3. Establish low-carbon urban areas
4. Establish urban areas that can withstand natural disasters
5. Establish sound city management systems
6. Achieve the revitalization of urban areas

Inclusive and Dynamic Urban Development

JICA provides support for the creation of cities that can generate a positive cycle of economic growth and poverty reduction. Activities are based on rapid responses from medium- and long-term perspectives to the problems encountered by urban areas in all developing countries. JICA is guided by the vision of "inclusive and dynamic urban development." JICA provides support by placing priority on development projects in which all types of people can participate.

Comprehensive Support from Creating Development Concepts to Human Resources Training

JICA is dedicated to meeting the diverse needs associated with urban and regional development in developing countries. Meeting these needs requires assistance at many stages, including the preparation of development plans, implementation of development programs in line with plans, and operation and maintenance of the completed facilities. To execute these processes in a self-reliant manner, the capacities of organizations and people involved in implementing urban and regional development plans must be increased, the necessary legal systems must be improved, and other measures are needed. JICA uses a diverse aid menu that includes Technical Cooperation, financial cooperation, volunteer programs and other activities in order to provide comprehensive aid for urban and regional development.

Report of the Final Accomplishments of the Greater Yangon Urban Development Master Plan

Rapid population growth in Yangon has created pressure to establish a social infrastructure that can support people's lives in a sound urban environment. JICA started the Preparatory Study on the Project for the Strategic Urban Development Plan of Greater Yangon in order to help formulate an urban development master plan for the Yangon metropolitan area.

The Development of Yangon Equates to the Development of Myanmar

With a population of about 5.1 million, Yangon is the commercial center of Myanmar. The Yangon metropolitan area, which includes six neighboring townships, covers 1,500 square kilometers. The population of this area is expected to grow to more than 10 million by 2040.

Economic and social development has not progressed in Yangon because of restrictions in place for decades on investments and technological updates from overseas. The economic and social infrastructures that back the sound lives of Yangon's residents are aged and often do not function. Furthermore, there has been little progress with establishing urban planning laws and regulations or with updating statistics and maps, both of which support planning and construction activities. As a result, urgent actions are essential to tackle these issues.

In response to this need, JICA started the Preparatory Study on the Project for the Strategic Urban Development Plan of Greater Yangon in August 2012. The study, which ended in March 2013, created a proposal for a medium and long-term comprehensive development vision for the Yangon metropolitan area and a Greater Yangon Urban Development Master Plan with a target year of 2040.

Following completion of this master plan, the JICA-Myanmar Seminar "Ideas for the Development of the Yangon Metropolitan Area" was held at the International Conference Hall, JICA Ichigaya Building in Tokyo on March 21, 2013. The purpose was to present a Master Plan with information about the constantly changing conditions in Yangon. The seminar included the results of a survey of 10,000 households in the Yangon metropolitan area and an explanation of the concept for economic and social infrastructure development activities. Twelve delegations from the Myanmar government associated with various sectors involving the development of Yangon attended the seminar. These officials were headed by H.E. Hla Myint, the mayor of Yangon, who also serves as the Minister of Development Affairs, Yangon Region Government. Strong interest was shown in this seminar by the government ministries and agencies, people involved in development activities, private-sector companies, NGOs and academics. Overall, more than 200 people attended the seminar, making it an extremely worthwhile event for everyone.

Opening remarks were given by JICA Vice President Toshiyuki Kuroyanagi. "JICA and Myanmar have a very long history of interaction," he noted. "In the past, the focus has been emergency aid and humanitarian aid. But now that democratization is progressing in Myanmar, there is a rapid increase in the quality

and quantity of aid. We are now providing a broad range of assistance for the infrastructure and other areas." The keynote speech was given by Yangon Mayor Hla Myint, who wants to utilize lessons learned from urban development in Tokyo. His address covered the history of the construction of Yangon and the city's current problems. He went on to list seven targets of the Yangon Urban Development Committee (YCDC), including infrastructure construction and urban development. "There is an urgent need for infrastructure and social development in order to create an even larger economic metropolitan area and improve Yangon's urban environment. The highest priority should be the construction of water and sanitation facilities in the Greater Yangon area."

Dr. Takashi Onishi, the chairman of the Science Council of Japan and a professor at Tokyo University, is the chairman of the Domestic Support Committee for JICA's Yangon urban development program. Dr. Onishi gave a speech at the seminar about the development of the Yangon metropolitan area and lessons learned in Tokyo. Using examples of successes and failures of Tokyo's urban development history, Dr. Onishi talked about limiting the expansion of cities, inducing pressure for development, the balance between preservation and redevelopment (urban development strategy), and other key subjects.

There was a presentation by Mr. Koji Yamada, who is deputy general manager of the Development Business Division of Nippon Koei Co., Ltd., about the activities of the preparatory study team for the creation of a program for development of the Yangon metropolitan area. Mr. Yamada provided an overview of the master plan called 'Yangon 2040 - The Peaceful and Beloved Yangon'. For the development vision that looks ahead to 2040, the goals are peace in Myanmar, where democratization is advancing, and the creation of a Yangon that will be loved by its residents. The development program uses as its images the city's abundant greenery and the light shining from the golden Shwedagon Pagoda in central Yangon. Mr. Yamada explained that the plan's four central elements are to make Yangon an international hub city, a city where residents can live with ease, a city with a sound infrastructure, and a city that is well governed. He went on to say that the most suitable structure for Yangon is a dispersed city with a central business district along with several secondary business centers and islands of greenery (parks).

The second half of the seminar focused on water and sanitation and waste management, which Mayor Hla Myint views as urgent issues. On this topic, there was a presentation by Mr. Kazufumi Momose of TEC International, who is the chief consultant of the JICA preparatory study team, concerning cooperation for

programs to improve water and sanitation. For the waste management sector, there was a presentation by Mr. Than Lwin Oo, who is the head of the Pollution Control and Cleansing Department of YCDC. To provide information about the urban transport sector and its issues, there was a presentation by Mr. Takashi Shoyama of ALMEC Corporation, who is chief consultant of the JICA study team, about the activities of the Preparatory Study on the Project for the Strategic Urban Development Plan of Greater Yangon (Urban Transport).

Contributing to Progress in Myanmar

The seminar ended with an expression of appreciation to all participants from Kazunori Miura, Director General of the Economic Infrastructure Department, JICA. In his remarks, Mr. Miura stated that "JICA wants to work together with every stakeholder in both Myanmar and Japan so that Japan as a whole can make an efficient contribution to progress in Myanmar."

Phase II of the Preparatory Study on the Project for the Strategic Urban Development Plan of Greater Yangon started in March 2013. Other studies are under way for master plans for water and sanitation and urban drainage systems, urban transport, and other sectors. In addition, preparations have started for Loan Aid projects in areas where there are urgent needs. This seminar was also held in Myanmar in June 2013 and there were many participants from the government, media, academics, private sector and NGOs. JICA will continue to extend cooperation to enable the Yangon metropolitan area to consistently create an even better urban environment for its residents.

Dr. Kyaw Lar is the urban development advisor for YCDC. Regarding the JICA project, he remarked that "it has been an honor to do such a decent work up to now with the Japanese expert team. We have discussed different views and opinions in the process of creating this master plan. However everything we did was to achieve a higher goal for development of the city of Yangon. I would like to continue to be involved in this project."



The majestic Sule Pagoda is located in the central business district of Yangon, which is called the garden city. The Yangon River is visible behind the pagoda.

Transportation

● Overview of Issue

In developing countries, the slow development of transportation infrastructure, including roads, railways, ports and airports, has impeded economic growth and contributed to poverty. Transportation infrastructure is the means for the movement of people and goods, and its development is indispensable to sustainable growth.

The demand for transportation infrastructure development is high worldwide, and the need to maintain, repair and upgrade aging structures has been rising rapidly. Securing funds is a big challenge because these projects require significant financing. The limited public funds available are not sufficient to develop all necessary infrastructures. Other funding sources need to be secured, including private capital, in order to provide transportation services without waste in a sustainable manner.

Furthermore, assistance is needed for initiatives which

enhance the environment and society of the counterpart country. This includes initiatives for the elimination of traffic congestion through the introduction of modes of public transportation and changes in transportation methods; CO₂ reductions through more efficient distribution means; and air pollutant control.

● JICA Activities

JICA's main goal for cooperation in transportation is the swift, smooth and safe transportation of people and goods in order to energize socioeconomic activities and to ultimately improve income levels and enrich people's lives.

When developing transport infrastructure in developing countries, it is not enough to simply build roads and bridges. Establishment of a plan to ensure an efficient transportation system, development of human resources and the strengthening of organizations that will appropriately maintain and manage the infrastructure, and creation of social and

Case Study Ensuring the Safety and Security of Sea Lanes: Cooperation for Maritime Safety and Security

Protecting the World's Oceans

Since water covers about 70% of the earth's surface, oceans are veritable highways that reach every part of the world. Maritime security officers are responsible for the safety and security of the oceans. By working with the Japan Coast Guard, JICA is cooperating with the maritime security officers of developing countries.

The economy of Japan, a country surrounded by the sea, depends on the preservation of maritime safety and security. More than 99% of Japan's foreign trade based on tonnage relies on ships. Furthermore, more than 80% of Japan's crude oil is transported on ships from the Middle East that pass through Southeast Asia. In the Gulf of Aden, which is traversed by approximately 18,000 ships every year, about 1,700 of these ships are associated with Japan in some way.

To ensure the safety and security of sea lanes, JICA works with the Japan Coast Guard to extend support to the maritime security agencies of developing countries. Past activities have included conducting training, installing channel markers and giving countries patrol vessels. These programs have taken place primarily in countries along the Strait of Malacca and Singapore. Malaysia established the Malaysian Maritime Enforcement Agency



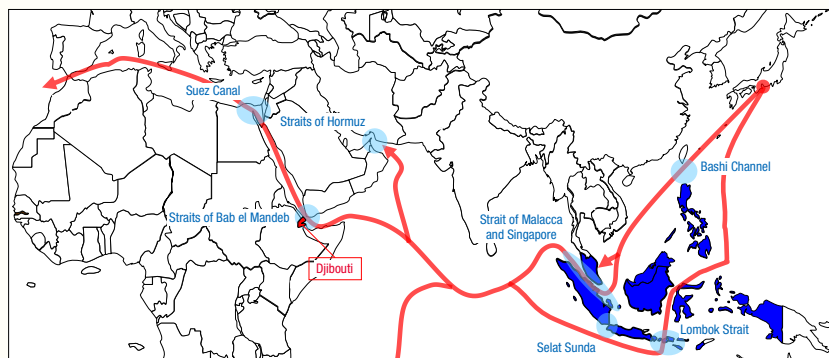
JICA sent experts for a short time to work with the Philippine Coast Guard.

(MMEA) in 2002 by separating this organization from its navy. JICA has extended support to MMEA that includes strengthening the organization, such as by sending experts and providing training, and upgrading skills for boarding inspections. Currently, MMEA has a workforce of about 4,000 and a fleet of patrol vessels that are as large as 63 meters in length. All these activities help improve the safety of the sea near Malaysia.

In recent years, piracy in offshore Somalia and the Gulf of Aden has become an international problem. In 2011, this region accounted for more than half of the 439 acts of piracy worldwide. Many countries, including Japan, are working together to fight piracy. JICA is inviting people from countries in the Middle

East and East Africa to participate in training sessions on specific themes. Furthermore, in May 2013, JICA started The Project for Capacity Development of Djibouti Coast Guard, a Technical Cooperation program in Djibouti. As part of this project, JICA plans to start supplying this technical assistance to the maritime security agencies of other countries in the Middle East and East Africa.

Safety and security of sea lanes cannot be achieved through the actions of a single country. Collaboration among countries and agencies is vital to accomplishing this goal. JICA will use the global networks established through past aid activities for activities aimed at reinforcing cooperative ties among projects and ultimately countries.



Upgrading the capabilities of maritime security agencies in coastal countries is vital to preserving the safety and security of the world's sea lanes. JICA Technical Cooperation projects are under way in all of the countries shown in color. In other countries, many people have participated in training programs on specific themes.

institutional arrangements that support the organizations are necessary. JICA actively promotes participatory cooperation with residents and collaboration with NGOs with a focus on the beneficiaries, including users and residents, based on who will use the system and for what purpose.

In addition, cooperation for the transportation sector needs to consider a variety of perspectives. Examples include “international transportation” for promoting the international flow of goods and people and the development of regional economic zones which transcend borders; “national transportation” for ensuring people’s fair access to transportation and balanced national development; “urban transportation” for supporting sustainable urban development and enhancing living standards; and “rural transportation” for improving the living standards of rural areas which tend to be left behind from development. The aim of JICA is to pursue “inclusive and dynamic development.”

Contributing to the New Growth Strategy and Benefits for Japanese Companies

The New Growth Strategy, which was announced by the Japanese government in 2010, includes the goal of using ODA to support the entry of private-sector companies in developing countries and provide aid for sustainable economic growth in these countries. At the Fourth Keikyo Infrastructure Strategy Conference that took place in May 2013, the decision was made to implement the infrastructure system export strategy. This strategy entails increasing connectivity within the ASEAN region and Africa by establishing regional international corridors. JICA will take actions that are also linked with the Fifth Tokyo International Conference on African Development with particular emphasis in the ASEAN region on Myanmar following its transition to a civilian government. Emphasis will be placed on strengthening connectivity with regard to highways, railways, shipping and transportation infrastructure projects. By improving the flow of goods and securing routes for natural resources [\[See the Case Study on page 73\]](#), JICA will establish an environment that is beneficial for Japanese companies.



The Second Mekong International Bridge, which links Thailand and Lao, was financed by an ODA loan. The project is part of the construction of an east-west corridor that will extend from Vietnam to Myanmar.

Information and Communication Technology (ICT)

● Overview of Issue

Information and communication technology (ICT) has been advancing rapidly in developed countries. In the administrative, social and economic sectors, ICT has been used to computerize central government operations (e-governance), educate via the Internet (e-learning) and facilitate digital trade and commerce (e-commerce). ICT also has the potential to support a variety of improvements that can enhance the quality of life, including increasing the efficiency of the economic and social systems of countries, raising productivity and conserving energy. It is not an exaggeration to say that ICT has become vital to the functioning of modern-day society.

In many developing countries, however, the spread of ICT has been slow. This has led to a digital divide with developed countries, which in turn has worsened economic disparities.

Furthermore, developing countries have gaps between areas where communication is possible (people can access information) and areas where there are no communication links. This gap translates directly into a structure of economic disparities that become larger.

● JICA Activities

JICA believes closing the digital divide is necessary to increase the effectiveness and efficiency of various cooperation programs. To close this divide, JICA is contributing to the greater use of ICT in developing countries.

At the G8 Kyushu-Okinawa Summit of July 2000, Japan asserted its stance to help bridge the digital divide in developing countries by promoting the use of ICT in development aid, such as through distance learning. Furthermore, Japan announced the establishment of ICT bases in 30 locations to use ODA funds more efficiently. Through activities like these, JICA is providing cooperation for the greater use of ICT in developing countries, mainly in Asia.

ICT Policies Linked to Social and Economic Development

JICA offers the following five approaches to increase the use of ICT in developing countries:

- 1) **Improve ICT policy-planning capabilities:** Provide on-site advisors to support the formulation of IT policies in such areas as national strategy concerning electronic communication and the development of relevant industry.
- 2) **Develop ICT infrastructure:** Formulate a plan to develop central communication networks and rural communication infrastructures, and reinforce their maintenance and management systems.
- 3) **Improve aid effectiveness and efficiency through ICT use:** Increase project effectiveness and efficiency by adopting ICT in government administrative departments and using ICT for cooperation projects in a variety of sectors, including education, health care, and commerce.
- 4) **Train skilled ICT personnel:** Implement a human resource

development project to enhance the capabilities of technicians and policy planners in order to further enlarge ICT usage. This step comprises a large proportion of JICA's ICT support.

5) **Broadcasting:** Extend cooperation to expand the use of Japanese-style digital terrestrial broadcasting, which can withstand interference and permits stable reception.

Case Study

Laos

Assistance for Training Engineers Who Can Support the IT Infrastructure

Human Resource Development in the IT Service Industry at National University of Laos (NUOL)

Project period: December 1, 2008 to November 30, 2013)

Use of IT in Laos is increasing rapidly. JICA is working with the Engineering Department of NUOL to train IT engineers and create a framework in which young people can start businesses that utilize IT.

Private-sector IT investments in Laos increased 19.8% in fiscal 2012 (according to an industry association), which was much higher than the GDP growth rate of 8.2%. Utilization of personal computers and smartphones is climbing rapidly at companies as well as households. However, there are not enough engineers to back up the country's IT infrastructure. As a result, many key IT systems must be entrusted to foreign engineers. The aim of this project is to use instructors in Laos who have received technological know-how from JICA experts in order to foster the development of IT engineers who can immediately fill key roles. Courses for college graduates have been held two times. There were a total of 65 participants and almost all of them started working in IT jobs immediately after graduation. In 2012, this course was upgraded to become the first IT master's degree course in Laos. Currently 34 students are enrolled in this program. The classes enable students to obtain industry-standard IT certifications. There are also courses for developing systems for use with actual business operations. Due to the recognition of the highly practical nature of this program, a growing number of companies and government agencies are giving students scholarships and sending their own people to attend the course. A short-term course that was separated from the main program is also popular. Thus far, this course has been held 68 times and served a total of 772 students.

In 2012, an entrepreneurship support system (incubator) was started in Laos for the first time. This targets young people who have an idea or technology but no management know-how. This system provides space along with advice for registrations, accounting, marketing and other company activities. As of May 2013, the incubator was home to four companies, including one affiliated with Japan. These entrepreneurs are pioneers that are launching businesses that are common in other countries but had not yet emerged in Laos. Examples include the provision of digital information in the Laotian language and the sale of merchandise on the Internet.



Participants in a workshop conducted by this JICA project



Sharing knowledge about technical writing



A Thai instructor on a short-term assignment provides technical training



Sri Lanka: Students from kindergarten to junior high school playing on the same field at a school in Kurunegala [Photo by Shinichi Kuno]



Nobuko Kayashima
Director General
Human Development Department

Director General's Message

Human Resource Development

Looking at Development in the Post-MDGs Era, Deepening the Discussion on Education, Health and Social Security

JICA broadly assists with human development from the perspective of education, health and social security. In fiscal 2012, JICA took discussions about the next set of goals for the post-MDGs era to a deeper level. Focusing on aid that combines ODA Loans and Technical Cooperation for an integrated hardware and software approach for schools, hospitals and other related aid, JICA will also concentrate on building academic networks that will lead to reform of Japan's education system.

In fiscal 2012, JICA took its discussions on goals for the post-MDGs era to a deeper level. We deliberated the issues for education, health, improved nutrition, employment and equitable growth and universal health coverage (UHC) under which all people receive healthcare equally. Besides those discussions, we compiled the results and issues arising from TICAD IV in preparation for TICAD V.

JICA is also proceeding with deliberations on projects that offer integrated aid covering expansion and enhancement of hardware and software to policy formulation. We are achieving this broad range of aid by combining ODA Loans and Technical Cooperation. In the health sector, we are looking at providing this type of aid to, among others, Bangladesh and Sri Lanka. In the education field, we are considering Morocco and other countries as candidates for such aid.

Among new initiatives, we added aid issues that link up closely with issues in Japan. Amid the progressive globalization of higher education, the internationalization of higher education is a major issue for Japan as well as developing countries. Through our aid programs, we will be aiming to provide cooperation that leads to the building of international academic networks with

Japanese universities as their central hub. These networks will create knowledge and disseminate it to the world.

Health is one of the key words of the Japanese government's growth strategy. Underpinned by its unparalleled national health insurance plan, Japan's record in providing citizens with quality healthcare and its medical technology are highly regarded overseas. In that sense, JICA is examining cooperation programs that will combine development of Japan's medical business with meeting health needs in developing countries. Moreover, the aging population problem that Japan faces today will be visited on other Asian countries in the near future. Responding to the desire of other countries to learn from Japan's experiences, JICA is considering how to create opportunities for mutual learning.

In fiscal 2013, the United Nation's General Assembly discussions on its post-MDGs development agenda have gotten under way in earnest. In addition to the issues of vulnerable countries, discussions are increasingly turning to such new issues as adult diseases and social security emerging in more-developed countries. JICA will be aiming to leverage Japan's knowledge to provide cooperation that leads to the mutual solution of issues in developing countries and Japan.

Education / Social Security / Health

Helping People the World Over to Lead Enriched Lives



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

The international community is making concerted efforts to achieve the Millennium Development Goals (MDGs) by 2015. Yet, there are still many people who are unable to live decent lives. For instance, in excess of 60 million children around the world not attending school, and more than 20,000 children die under five years of age every day.

With the aim of enabling people to live healthy and creative lives each day and seek their own meaningful goals, JICA has been cooperating primarily in the three fields of education, healthcare, and social security, based on the concept of human security.

Education

● Overview of Issue

Education is the cornerstone of all development. Acquiring knowledge and skills through education enables people to open up and improve their prospects in life. In addition, the enhancement of people's capabilities promotes poverty reduction, economic growth, and scientific and technological development. Furthermore, the promotion of mutual understanding across all religions and ethnic groups is essential for the stability and peace of the world, and education plays an important role in this regard as well.

Education in developing countries, however, faces many problems. Although the number of children not attending school has decreased by about 44 million compared with 1999, more than 61 million children are still not attending school. In addition, in the least developed countries, one third of the children who enroll in elementary schools drop out before graduation. While demand for secondary education has risen because of the widespread access to primary education, the enrollment rate of secondary education has remained low.

Furthermore, interest in higher education has risen sharply in recent years in developing countries. There are considerable expectations for higher education institutions to play a central

Case Study Education AUN/SEED-Net Project Phase III

Establishing and Expanding a University Network within ASEAN Countries and Japan

By promoting the establishment and enhancement of a network of universities in Japan and developing countries, JICA is aiding with strengthening the capabilities of universities in developing countries while also cooperating with Japanese universities by contributing to their internationalization. A representative example of JICA's efforts is the ASEAN University Network/ Southeast Asia Engineering Education Development Network (AUN/SEED-Net) project. JICA is aiding in improving the educational and research capabilities of the member institutions of ASEAN countries of the project by strengthening a network of 14 Japanese universities and 26 other universities representing 10 ASEAN countries.

Since cooperation began in 2003, JICA has been providing aid in developing engineering-related human resources necessary for the social and economic development of the ASEAN region. JICA's efforts have taken the form of aid for young faculty members from these developing countries to study abroad at universities in Japan or other ASEAN countries and earn such advanced degrees as master's degrees or doctorates. In addition, the project aims to improve the research and education capabilities of member institutions of ASEAN countries and strengthen the multinational academic network through joint research, regional academic conferences and other activities. Up to this point, JICA has aided with the acquisition of advanced degrees by a total of 900 people, approximately 20% of the teaching staff of the member institutions

of ASEAN countries. Moreover, more than 700 joint research activities have been carried out, with in excess of 1,000 academic papers being published. This process has created a network of 200 Japanese and 400 ASEAN university faculty members and resulted in the launch of an international academic journal in 2011.

JICA began Phase III of the project in March 2013. Utilizing the network built up through the cooperation to date, JICA is aiming to promote measures to upgrade and internationalize regional industry and address common regional issues. To do so, JICA is promoting collaboration within the manufacturing industry, including Japanese companies entering regional markets, and initiating joint research activities that will contribute to solutions for common regional issues. In Phase 3, JICA has increased the number of project members by seven ASEAN

universities and three Japanese universities. By strengthening the research and teaching abilities of these core universities and further widening the multinational academic network, JICA is striving to reinforce the formation of a platform to promote science and technology in Asia.



Young faculty members from ASEAN countries aspiring to earn master's degrees and doctorates

role in responding to the needs of creating a knowledge-based society in each country with a view to the post-MDGs period. Developing countries see higher education institutions achieving that goal through such means as creating knowledge and innovation (research), developing human resources that drive socioeconomic development (education), and resolving development issues that are becoming increasingly complex in keeping with the steady globalization of the economy and society, as well as by returning benefits to industry and society (social contribution).

As a member of the Asian community, strengthening collaboration between Japanese and Asian universities holds significance for Japan beyond just promoting the internationalization of higher education institutions in the region. It is also important from the perspective of contributing to economic growth in the region through fostering the highly skilled human resources required by industry, which can also lead to an increase Japan's social and economic vitality.

With the start of the ASEAN Economic Community (AEC) expected by 2015, people, goods, and capital will flow more freely throughout the region. As a result, it is expected that that partnerships and networking among higher education institutions will grow in importance going forward. In conjunction with that trend, the globalization movement will also heighten the importance of higher education institutions because of their influence on regional economies and societies. On the other hand, in reality, these institutions of higher education in the developing countries often face issues such as shortages of sufficiently qualified and skilled academic staff and of facilities and equipment for education and research, making it difficult for them to provide high-quality education and research activities. These points show that there is a significant need for aid for higher education. Furthermore, such cooperation will assist with the globalization of Japanese universities as well as providing the benefit of developing human resources in the local industries of partner countries who are familiar with Japan and its ways.

● JICA Activities

1. Basic Education

Basic education refers to teaching reading, writing and arithmetic—the basic knowledge and skills essential to living. It includes not only primary and secondary education but also early childhood development and non-formal education (including literacy education and community education).

Developing countries face diverse issues in the basic education sector. Among them JICA places particular emphasis on improving primary and secondary education quantitatively and qualitatively. Specifically, JICA is promoting cooperation with a focus on i) construction of school facilities by local contractors, ii) capacity building of teachers through the improvement of teacher training, iii) establishment of participatory school management systems that involve the community and iv) capacity development of administrative officers of central and local governments in charge of education, which is essential for sustaining the effects produced by these other efforts.

In particular, for the Sub-Saharan African countries that form the priority region for basic education aid, JICA is providing aid in accordance with the Yokohama Action Plan that was announced at the 4th Tokyo International Conference on African Development (TICAD IV) in May 2008. JICA's programs involve i) construction of more than 500 elementary and secondary schools, ii) training for 100,000 science and mathematics teachers and iii) expansion of the "School for All": The project on support to educational development through community participation, to 10,000 schools.

Most recently, JICA has focused on getting the results of its cooperation on a ground level reflected in the education policies of partner countries or more closely connected to impact assessment in such terms as improvements in children's academic performance. To that end, JICA is proactively pursuing comprehensive aid by combining cooperation on a traditional project basis with such measures as financial aid to the education sector and dispatching expert policy advisors.

It is the responsibility of the international community to provide aid to enable as many people as possible in the developing countries to receive quality education. JICA is continuing to provide steady cooperation for basic education leading up to 2015, the target year of the Education for All (EFA) and MDGs.

2. Higher Education

Higher education is positioned as the final stage of a country's education system. With a view to improving the quality, quantity and equality of higher education, which have been attracting particular attention in recent years, JICA is providing aid to the higher education field in developing countries with the cooperation of Japanese universities. With the main targets being the core universities that play a leading role in promoting the higher education sector of respective country or region, JICA provides aid for the improvement of their education and research capabilities. Actual assistance includes improving the capabilities of academic staff, improving the campus and equipment and facilities for education and research, enhancing the university's governance system, promoting industry- university-community linkages, and establishing a network between universities.

In Asia, while continuing to focus aid efforts on the ASEAN University Network/Southeast Asia Engineering Education Development Network Project (AUN/SEED-Net), JICA is also extending bilateral cooperation to core universities in accordance with their needs. Furthermore, JICA is endeavoring to foster human resources with highly specialized knowledge and skills through long-term training in regular courses at Japanese graduate schools.

In the Middle East and Africa, JICA puts its focus on support for Egypt-Japan University of Science and Technology (E-JUST) that was partially opened in February 2010, in order to foster human resources with highly specialized knowledge and skills to meet the demand of industry. There are also expectations that E-JUST will take on a greater role in Africa in response to the higher priority being placed on higher education institutions in the region in recent years.

Amid today's technological innovations bring with them dramatic social changes, JICA will continue to provide aid for higher education with an aim to foster human resources who can meet the needs of the world, instigate innovation and become the leading figures within the nation building process of their countries.

Social Security

● Overview of Issue

In recent years, the weakening of the ties between families and local communities due to progressive industrialization and urbanization has advanced in developing countries as well. In addition, their populations are aging. While some countries and regions are experiencing remarkable economic growth, many people are being left behind in the march of progress. The skewed distribution of wealth and widening economic disparities are becoming a source of social unrest.

To establish a stable society while maintaining economic growth, it is essential to enhance health protection and income security. It is also important to build a safe and sound society in which society as a whole is prepared to deal with various risks. Furthermore, providing support for the independence of socially vulnerable people promotes their participation in social and economic activities, which also has the potential to contribute to successful nation building.

● JICA Activities

Based on Japan's knowledge and experience in social security systems in developing countries, JICA is undertaking projects aimed at improving social security systems. To do so, JICA is focusing on the following three areas; social insurance and social welfare, disability and development, and labor and employment.

1. Public Insurance and Social Welfare

JICA aids with the development of public insurance systems such as public health insurance and income security (including public pension insurance), as well as strengthening social welfare policies for the elderly and the others. There is a great demand in other countries to learn from Japan's knowledge in these areas in order to build social security systems in their home countries. In response, JICA invites key personnel at government ministries associated with social security systems to visit Japan and receive information about the establishment of Japan's social security systems and exchange opinions. In recent years, there has been a strong interest in Japan experience in dealing with an aging society, particularly among more developed countries in Southeast Asia.

2. Disabilities and Development

JICA views persons with disabilities not simply as recipients of welfare services, but also as important contributors to development. JICA's ultimate goal is to build a society that is

Case Study

Social Security Project on Long-term Care Service Development for the Frail Elderly and Other Vulnerable People in the Kingdom of Thailand

Providing Aid for Measures to Deal with an Aging Population in Thailand

Aging of the population is proceeding at a rapid pace in Asia. Thailand is already experiencing significant aging of its population and urgent measures are required to deal with the issue. In response, JICA is conducting its first Technical Cooperation project addressing long-term care for the elderly.

In the field of measures to deal with aging society, many countries have great interest in and expectations for the knowledge accumulated by Japan as a country which experienced one of the most rapid aging population in the world.

In the notably high economic growth ASEAN region as well, the aging of the population is progressing along with the improvement in health standards and declining birthrates. Within the region, Thailand has already become an aging society, with people 65 years old or over accounting for 8.9% of its total population. Thailand is forecast to rapidly become an aged society, with this figure reaching 14% in 2024, 11 years from now. The aging of the population in Thailand is progressing at even a faster pace than in Japan.

Because the aging of the population has proceeded at a gradual pace in European countries, they have longer years to prepare measures to deal with the issue. However, an extremely rapid pace of aging is one of the characteristics of Asian countries. This will result in Asian countries having to deal with aging population issues before they achieve

the same level of economic development as developed countries.

The government of Thailand believes that a prompt political response is necessary to deal with the social security needs emerging along with the aging of the population. With long-term care in particular, there has been a weakening of the strong tradition of families providing care for their elderly family members along with the progressive migration of workers into urban areas and growing trend toward nuclear families. If the social services to support the elderly requiring long-term care and their families are not quickly established, in the near future there is the concern that the quality of long-term care and physical and mental exhaustion of families having to care for their elderly will become social problems.

In consideration of these circumstances, JICA is conducting its first Technical Cooperation project addressing long-term care for the elderly; the Project on Long-term care service development for the frail elderly and other vulnerable people (LTOP) over the period from January 2013 to August 2017. Selecting six pilot sites in urban and rural

areas in Thailand, the project is testing long-term care services models. Based on the analytical results of evidence of effectiveness and validation of costs, the project will make policy recommendations regarding sustainable long-term care for the elderly.

Moreover, because measures to deal with aging society are becoming increasingly highlighted particularly in the ASEAN region, JICA plans to share the knowledge and lessons acquired from the project with other ASEAN countries.



Japanese experts checking long-term care conditions of the elderly at a project site in Khon Kaen Province in Thailand.

comfortable to live in for all people, regardless of disabilities.

JICA aims at realizing the “full participation and equality” of people with disabilities in developing countries, with emphasis on aid that ensures active participation of persons with disabilities in society. JICA is working to empower persons with disabilities through leadership trainings and strengthening capacities of disabled people’s organizations, as well as creating barrier-free environments.

3. Labor and Employment

In developing countries, industrial accidents are increasing along with economic development. However, there is insufficient establishment of legal frameworks and enforcement of such legislation in the field of occupational health and safety. Consequently, there are many workers who do not receive adequate compensation even though they have been injured at work and run the risk of falling into poverty. Moreover, labor problems, such as increases in unemployment in emerging countries because of economic slowdowns in developed countries and difficulty with finding jobs among young people pose a risk to the security of society. To address these issues, JICA is providing assistance for the improvement of occupational health and safety, strengthening public employment services and support for securing employment.

Health

● Overview of Issue

In developing countries, many people lose their lives because they are not able to receive adequate health care or medical services. The Japanese government has announced its continuation of aid to achieve the MDGs by 2015. Following up on that commitment, JICA is focusing its efforts on the following three issues of improvement of maternal and child health, infectious disease control, and reinforcing health systems.

In other areas, looking past 2015, the Japanese government announced a new “Global Health Diplomacy Strategy” in June 2013. The strategy highlights various issues, such as the importance of universal health coverage (UHC) and global collaboration by the public and private sectors and cooperation with the private sector in Japan. Based on that strategy, it was decided to contribute to advancing UHC in Africa at the TICAD V meeting held in June 2013.

UHC means a system whereby all people can receive adequate services to promote health, prevent disease, and undergo rehabilitation at an affordable price. Until now, JICA had placed its emphasis on reinforcing the abilities of healthcare workers and on strengthening the service supply systems by expanding and improving medical care facilities and equipment. Going forward, however, JICA will now also pursue cooperation in providing access to basic healthcare services to all people, including the poor. Measures will include strengthening the financial administration of healthcare systems and building healthcare insurance systems. To realize the UHC strategy, JICA will take steps to promote the sharing of experiences among countries in Asia and Africa through training and other programs. In Thailand and other countries, JICA plans to conduct surveys of current conditions and follow up on needs

by holding seminars and training sessions to share Japan’s experience with healthcare insurance fee-for-service systems and other aspects of UHC.

● JICA Activities

1. Improving Maternal and Child Health

Approximately 99% of the 360,000 pregnant women who die during pregnancy or childbirth and the 8.1 million children who die before reaching their fifth birthday every year live in developing countries. This fact indicates that the health and well being of pregnant women and young children is one of the most serious issues facing developing countries.

In fiscal 2011, JICA prepared a thematic guideline for maternal and child health and has been extending its cooperation to many countries for strengthening health systems that make a comprehensive “Continuum of Care for maternal and child health” more widespread and sustainable. JICA has focused on specific related systems in this field for which it has targeted strengthening frameworks and capabilities. JICA’s measures include: reinforcing administrative and management capacity of health ministries for the development of mother and child services; building capabilities of local health authorities; strengthening capabilities of midwives and other health service providers; improving community solidarity and systems; and strengthening the coordination among health centers, primary and referral health facilities.

In fiscal 2012, JICA started cooperation in the Republic of Djibouti and the Republic of Senegal to enhance the system for ensuring safe deliveries by expectant mothers and providing adequate care for newborn babies. Meanwhile, in regions with poor maternal and child healthcare services in Laos and Tajikistan, it was decided to utilize Grant Aid to expand and build health centers with child birthing facilities and procure equipment and supplies for hospitals. The intention of these measures is to achieve synergies with ongoing Technical Cooperation. Similarly, in Myanmar, it was decided to use Grant Aid for procurement of equipment and supplies for two referral hospitals, an obstetrics hospital and a children’s hospital. The hospitals have not renewed their equipment for many years.

2. Infectious Disease Control

With three major infectious diseases—HIV/AIDS, tuberculosis and malaria—alone claiming the lives of several million people each year, infectious diseases pose a direct threat to the people in developing countries. They are also a factor in hindering economic and social development. Infectious disease control is an issue that needs to be addressed not only by specific countries or regions, but also by the entire world, as infectious diseases spread on a global scale through economic activities and as a result of the development of transportation.

Against this backdrop, JICA cooperates with the Global Fund to Fight AIDS, Tuberculosis and Malaria, for which the Japanese government is a donor, UNICEF and other international bodies to address the issue with Technical Cooperation and financial assistance. Technical Cooperation aims to assist with the formation of a national strategy; the provision of information collection, analysis, prevention,

testing and medical treatment services; and improving access to such services. Financial assistance aims to supply countries with polio, measles and other vaccines and mosquito nets and other equipment and supplies to fight malaria. In fiscal 2012, JICA's Technical Cooperation projects involved continuation of the range of cooperation in fighting infectious diseases in such countries as Afghanistan, Cambodia, Myanmar, Zambia and Solomon Islands. In addition, JICA began providing cooperation to strengthen the abilities of operations to prevent mother-to-child transmission of HIV in Ghana for the first time. In other areas, JICA is utilizing knowledge gained from infectious diseases research in Japan to carry out joint research with research institutions in Asia and Africa in the fields of AIDS, tuberculosis, dengue fever and other infectious diseases. Joint research is being done under the Science and Technology Research Partnership for Sustainable Development (SATREPS).

3. Reinforcing Health Systems

"Health systems" refer to the frameworks necessary for the basics in providing of health care and medical services to people. They cover establishing administration and operational systems, improving medical facilities, optimizing medical product supply, identifying and effectively utilizing accurate health information, and securing and managing financial resources. In addition, these frameworks include the fostering and managing of related human resources. While it is necessary

to take a balanced approach to addressing the issues of specific diseases and strengthening of entire health systems, a number of partnerships have been established by various organizations that specialize in strengthening key components of health systems. As a result, JICA's role and cooperation need to be in harmony with the frameworks of these existing partnerships.

JICA actively contributes to the formulation of national health plans and budgets, and supports the smooth implementation of these plans. In Moldova, JICA provided aid for the establishment of an efficient healthcare system, including promoting a process of elimination and consolidation among hospitals. Aid consisted of utilizing an ODA Loan to make concentrated investments in core hospitals. JICA also conducted a preparatory survey with a view to spreading the use of Japan top caliber medical technology.

In Kenya, JICA is strengthening the management capacity of local health administration and community-level strategies that support community activities to promote good health based on the policies of the Ministry of Health. In Tanzania and South Sudan, JICA provides aid to establish databases for health service providers to support the management of these individuals and for increasing the use of these databases. JICA also provides cooperation for the management of human resources for health in French-speaking areas of Africa. Another program aims to utilize a Japanese management method called 5S-KAIZEN to improve the management of hospitals and other health facilities.

Case Study Health Better Hospital Services in Africa

Applying Results in Sri Lanka to Hospitals in Tanzania and Other Countries in Africa

The Asia Africa Knowledge Co-creation Program —Total Quality Management for Better Hospital Services is a program that utilizes a Japanese quality management system (5S-KAIZEN-TQM*) to reform operations of hospitals. With aid from JICA, the program is spreading the use of 5S-KAIZEN-TQM as a hospital management method. The program uses as a model the case of the Castle Street Hospital for Women, where the method was independently introduced in 2000 achieving an impressive record of reducing infection among newborn babies and improving healthcare services.

Based on those results, JICA has been introducing the 5S-KAIZEN-TQM method in 15 countries, including Tanzania, since March 2007. Many hospitals in Africa have to grapple with the problem of a scarcity of resources. This includes doctors, nurses, and other staff, healthcare services and equipment and drugs. The health administrators and hospital-related people of such African countries have learned about the principles and practical implementation of the method through inspection of and training in hospitals in Japan or Sri Lanka. They have hopes that using this method in the administration and reform of hospitals in their own countries will contribute to strengthening their healthcare systems.

In Tanzania, with the participation of the Ministry of Health and Social Welfare, JICA began the program using the Mbeya Consultant Hospital as a pilot project. After the hospital chief received training in Japan and Tanzania, he formed project teams for each section of the hospital, which began sorting

equipment and supplies in the workplace. The teams implemented many improvements, such as preventing incomplete health insurance applications and achieving proper management of inventories of drugs and supplies. By aiming to improve the working environment and quality of service through their own efforts and knowledge, they also raised the level of motivation among hospital staff. The success of process was noted and with the support of the ministry spread to state hospitals throughout the country. In addition, many representatives came to observe the system from neighboring countries, such as Malawi, Zambia and Uganda. There are expectations that the hospital will serve as the base for spreading the method widely throughout Africa.

The Asia Africa Knowledge Co-creation Program —Total Quality Management for Better Hospital Services has been recognized as an excellent example of triangular cooperation whereby Japan and Sri Lanka have provided aid to Africa. In 2012, United States Development

Programme (UNDP) awarded it the South-South Cooperation Solution Prize.

* A quality management system introducing 5S (sorting, set in order, systematic cleaning, standardizing, and sustaining), KAIZEN (improvement, evidence-based participatory-oriented problem solving) and TQM (total quality management) procedures in stages to improve management of hospitals with limited resources.



Supplies sorted and arranged using the 5S system in an examination room at an outpatient clinic.



Aware of the importance of what they are doing, children participate in mangrove reforestation in the Philippines [Photo by Shinichi Kuno]



Masami Fuwa
Director General
Global Environment Department

Manager Interview

Global Environment

Creating a New Framework for Post-2015

The Global Environment Department's responsibilities cover a wide scope, including forest and nature conservation, environmental management, climate change measures, water resources and disaster risk reduction. In addition, the department is addressing global-scale issues, such as mainstreaming climate change measures and disaster risk management, as common issues cutting across all fields.

In two years time, it will be 2015, the culmination year for the Millennium Development Goals (MDGs). In March 2015, the 3rd UN World Conference on Disaster Reduction will be held in Sendai, Japan to decide the set of goals to follow those of the Hyogo Framework for Action (HFA). The year 2015 is also a pivotal year for climate change measures: the world will be aiming to reach an international agreement on the international framework to be participated in by all major greenhouse gas emitters starting in 2020. With this spotlight on 2015, planning out our steps to that point was a priority activity in fiscal 2012. Toward that goal, we have our strategy for activities in fiscal 2013.

Our department intends to proactively participate in international conferences and forums on the post-2015 era.

Aware that disaster reduction is an overarching issue that needs to be folded into all development fields, we call this process mainstreaming of disaster risk management. Up to now, the meetings of the UN World Conference on Disaster Reduction have been in Japan. It has been decided that the third meeting will be held in Sendai, Japan, one of the areas stuck by the recent major earthquake. On the agenda will be the next framework to replace the HFA. Moreover, the international community is accelerating its efforts to reach an agreement on how to include disaster risk reduction in the next set of MDGs goals after 2015. JICA has investigated the benefits of advance investment for disaster risk reduction to prevent the slowdown of economic development. In addition, based on disaster risk analysis, JICA has proposed measures for achieving effective and efficient disaster reduction investment. In fiscal 2013, we will be

advocating and deepening the discussion on involving disaster risk reduction in the deliberations on goals for the post-MDGs era.

We will also continue our participation in the Conferences of the Parties (COP), the Meeting of the Board of the newly established Green Climate Fund and other international conferences on climate change measures. In order to achieve a new framework covering the period from 2020 and beyond, JICA will be disseminating its activities on an international scale. At the same time, we will be carrying out activities to support the Japanese government's new bilateral greenhouse gases (GHG) reduction framework, the Joint Crediting Mechanism (JCM). We will also continue our assistance with building and developing REDD-plus systems, which aim to reduce GHG through forest conservation.

In the environmental management field, in fiscal 2013 we plan to especially prioritize sewage and waste disposal measures. Furthermore, we will concentrate our efforts on formulating such projects as providing cooperation for electric appliance recycling in ASEAN that will serve as the global models of the future.

As part of the MDGs, JICA has been active in the water and sanitation field in all regions of the world. Going forward, we plan to further develop Technical Cooperation, supporting overseas water business development by local governments and the private sector.

Through these activities, JICA will work with the international community on global-scale issues, seeking to disseminate Japan's knowledge in these areas.

Global Environment

— For the Termination of the Vicious Cycle of Poverty and Environmental Destruction



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

In developing countries, a vicious circle occurs as the destruction of the environment, which is a basis for human life, causes the further escalation of poverty. Each passing moment brings the further destruction of the irreplaceable natural environment on which humanity depends, driving the need for the creation of a sustainable society based on the concept of harmony with the environment.

With the goal of preserving the global environment that affects all human life, JICA is focusing on the five issues of nature conservation, environmental management, water and sanitation, disaster risk reduction and climate change measures.

Nature Conservation

● Overview of Issue

Over the past decades, excessive exploitation and large-scale land use changes have led to the rapid destruction of natural environment worldwide. Those include deforestation, reduction in wetland, deterioration of coastal ecosystems, soil degradation and the extinction of species, by logging, erection of infrastructure and other large-scale development and conversion to farmland. The world's forest are decreasing by about 13 million hectares annually, the equivalent of one third of the land mass of Japan. Similarly, it is estimated that overfishing, tourism development and other factors have caused the loss of 19% of the world's coral reefs. In addition, 80% of the world's fishing resources are being overexploited.

The natural environment supplies people with various resources essential to their lives, such as food, clothes and medicine; it also offers natural protection from disasters and other environmental risks. Degradation of ecosystem services damages the foundations of human existence.

As members of the international community, we need to contribute to the creation of a society that conserves the natural environment, such as the disappearing forests and wetlands of the world, and maintains harmony between ecosystems and human activity.

● JICA Activities

During the period from 2000 to 2011, JICA pursued natural conservation activities on 13.83 million hectares of land (11.4 million ha of forest conservation, 2.34 million ha of ecosystem conservation). In addition to conducting activities such as collecting forest data, formulating management plans and improving the livelihoods of local residents, JICA carried out afforestation activities for forest restoration on 3.05 million ha in various countries. A total of approximately 10.7 million people benefited from these activities. Nevertheless, land use changes along with development and the increased pressures on natural

resources remain major issues in developing countries. To that end, JICA provides cooperation on nature conservation in the following three areas, with the aim of facilitating harmony between the maintenance of the natural environment and human activities.

1. Sustainable Use of Natural Resources by Local Residents

In developing countries, most people rely on local natural resources in daily life. However, there are many cases where the foundation for local livelihoods has been exploited in such way that excessive destroyed usage the ability of nature to reproduce itself. Moreover, sometimes friction occurs between residents and public administrations over the usage and management of resources. In these cases, it is important to take the views of the local residents into consideration in the decision-making process. While collaborating with public administrators is necessary, the issue is achieving natural resource management in which local residents play the main role.

With the aim of pursuing sustainability, natural resources management promotes collaboration of the government and communities of the counterpart country, JICA promotes endeavoring to establish systems and organizations and popularize the use of appropriate technology. Targeted countries include Laos, Viet Nam, Ethiopia, Malawi, Madagascar and Senegal.

2. Conservation of Biodiversity

It has been estimated that over 20,000 species of wildlife are at risk of extinction because of the loss of natural habitats, overhunting of wildlife, introduction of alien species, climate change and other factors.

JICA is assisting the efforts of developing countries to contribute to achieving the world's goals for conserving biodiversity through approach of cooperation, human resource development and other aid. JICA's efforts take into

consideration the “Aichi Target” that was adopted at the tenth meeting of the Conference of the Parties to the Convention on Biological Diversity (COP 10).

3. Sustainable Forest Management

Forests not only function timber resources; they also have the function of retaining and providing stable supplies of water, conserving soil while absorbing and accumulating greenhouse gas, i.e. CO₂ and preventing natural disasters such as floods and landslides. JICA recognizes that not only is it important to regenerate forests through afforestation and other methods, but also to make efforts to maintain and improve forest quality through proper management. Based on this recognition, JICA is implementing such activities as developing forest resources monitoring and inventory, developing afforestation technique, setting up systems for forest conservation and management, and improving the awareness of local residents. In addition, JICA is providing assistance to REDD-plus: reducing greenhouse gas emissions from deforestation and forest degradation measures in developing countries as part of mitigation measures against climate change.

Environmental Management

—Reducing Risk and Loss Related to Environmental Problems and Achieving Sustainable Development

Strengthening the capacity of developing countries to control environmental burdens relates to economic growth in a preventive manner

● Overview of Issue

Along with economic development the water and air pollution and inappropriate disposal of waste have become serious problems in many developing countries, leading to concern about the depletion of limited resources, such as water and forests. These problems threaten the health and life of humans and other wildlife and inhibit the sound development of economic activities. Japan's experiences in the past prove that it is too late to address environmental issues once our ecosystems and human health are significantly damaged. Restoring the damaged environment requires much larger expenditures.

In June 2012, at the United Nations Conference on Sustainable Development (Rio + 20) held in Rio de Janeiro, Brazil, it was recognized that further measures by the international community to deal with environmental issues were indispensable. Moreover, the conference agreed that promoting

Case Study Viet Nam Assistance for Forest Conservation

Assistance through Natural Resource and Environmental Conservation Program

JICA assists the Vietnamese government in achieving its policy goal through natural resource and environmental conservation program

Because of the past wars, conversion of forest to farmland due to a growing population and poverty, illegal logging and other factors, the forests that used to cover about 43% of Viet Nam's total area in 1945 have decreased to about 27.7% of that in 1990. The government of Viet Nam is working to recover forest area and realize sustainable use of its natural resources to improve those conditions. The government has set a goal of recovering forest coverage to 45% of the country's total area by 2020.

JICA assists the Vietnamese government in achieving its policy goal through natural

resource and environmental conservation program. More specifically, JICA has dispatched a forestry program advisor to the Vietnam Administration of Forestry, Ministry of Agriculture and Rural Development in Viet Nam to assist with the formation of policy measures and donor coordination. In addition, “The Project for Sustainable Forest Management in the Northwest Watershed Area” assists with participatory forest management by local residents as well as their livelihood development. On the other hand, with “The Dien Bien REDD-plus Pilot Project,” JICA transfers

knowledge, such as institution building and forest monitoring system necessary to REDD-plus implementation, through the formation of the REDD-plus action plan of Dien Bien Province. JICA will continue to contribute to forest recovery and sustainable use of the natural resources based on effective collaboration between local residents and the government.



Project member instructs local residents in planting seedling.



Scene of partial deforestation by shifting cultivation.

green economies is essential for development in harmony with the environment and that developed countries would strengthen their aid for developing countries.

Under these circumstances, strengthening the capacity of developing countries to deal with environmental issues is becoming increasingly important.

● JICA Activities

Because many environmental issues involve complex factors in a multilayered manner and are spread over a wide spatial area, it is difficult to find solutions in a short period of time. Moreover, in comparison with direct investments, such as in infrastructure, the response to environmental issues is slow in many cases. Especially due to their tight national budgets, this trend can be seen frequently in developing countries. Nevertheless, even at the previously mentioned Rio + 20, the international community has recognized the following two goals. Economic development should be pursued with the aim of achieving harmony with the environment. Furthermore, sustainable development should be pursued centered on “people” with the ultimate goal of eliminating poverty. For that purpose, sound “environmental management” is important as a means of achieving sustainable development while keeping the overall burden of human activity on the environment to a minimum.

Against this backdrop, JICA provides various forms of aid in accordance with the development status of each developing country or region. Within that process, it is essential to give priority to preventive measures. Consequently, JICA is emphasizing the establishment of environmental management systems through a capacity development approach.

In so doing, JICA recognizes that it is essential to enhance the capacity of the organizations and individuals to conduct environmental management. Accordingly, in recent years, JICA has been further strengthening environmental management capacity development. In addition, JICA has been promoting Triangular cooperation by utilizing prior cooperation efforts to achieve effective aid measures [🔗 See page 121]. Specific measures being taken to strengthen environmental management are as follows.

1. Water Environment

JICA support measures to prevent pollution in rivers, wetlands and oceans. This includes support for increasing the capability to monitor water quality, for drafting management plans and making policy proposals. JICA also provides support for the drafting of plans and the operation and management of facilities needed to treat waste water from households and industry and improve the hygienic environment, such as support for the improvement of sewage facilities.

2. Atmospheric Environment

JICA supports measures to prevent air pollution, such as increasing the capability to monitor air quality, and improving capacity for drafting management plans and making policy

proposals. JICA is also providing support for the development of air pollutant removal facilities, and new methods to measure contaminants.

3. Waste Management

JICA supports measures for improving waste management, such as increasing the administrative service capabilities for the collection, transportation, intermediate treatment and final disposal of waste, and improving capacity for drafting management plans and making policy proposals. Especially in recent years, JICA is increasing its support to create a sound material-cycle society by promoting the 3Rs (Reduce, Reuse, Recycle) of waste. JICA is also providing support for building recycling systems for electrical and electric waste or “e-waste.”

4. Other Areas of Environmental Management

In addition to supporting for the formulation of a basic plan for environmental management, JICA also supports more advanced environmental management. JICA also supports more advanced environmental management such as measures for treating chemical substances that place a large burden on the environment as well as being harmful to human beings.

Water and Sanitation

● Overview of Issue

Water is essential for human life. In addition to drinking water, water directly and indirectly supports human existence as a necessity for food production and various economic activities to maintain lives of people.

However, the water resources available to humans are not unlimited. Even though the Earth is called the Water World, the amount contained in relatively easily accessible rivers and lakes is a mere 0.01% of all water on the earth.

Nevertheless, the demand for water continues to rise in developing countries as their populations expand. Consequently, these countries are now facing the extremely difficult problem of how to allocate limited water resources for the survival of their citizens, for national economic development as well as for the preservation of the natural environment.

Another issue closely related to water is sanitation. Around the world, 1.5 million children 5-years old or younger die from diarrhea annually. Diarrhea in many cases is caused by infection with pathogenic bacteria discharged from feces transferred to people’s mouths through water, food, fingers or other means. Therefore, building sanitation facilities (toilets) is extremely important to isolate human excreta from the living environment. In addition, the infection routes can be cut off by such hygienic practices as washing one’s hands after defecation and keeping areas around water supply facilities clean. In other words, a mutually complementary relationship exists between improved sanitation that is essential to keep water safe to drink, and water that is vital in such hygienic behaviors as washing one’s hands. The simultaneous improvement of water supply and sanitation is extremely

important to reduce water-related diseases.

Japan has experience in steadily developing water supply and sewage systems to build sanitary society, while overcoming flooding and drought during postwar economic growth. On the other hand, Japan remains a major water-consuming country, importing large volumes of “virtual water” from other countries.

This makes Japan responsible for taking part in solving the water and sanitation problems of developing countries.

Based on this perspective, JICA is pursuing cooperation with emphasis on the following areas of water and sanitation.

Case Study Technical Cooperation Project in Burkina Faso

The Project for Enhancement of Water Supply Infrastructure Management and Hygiene and Sanitation in the Central Plateau Region

To improve the poor access to safe water in Sub-Saharan Africa, JICA is providing Technical Cooperation to strengthen water supply operation and maintenance capacity that involves both the public and private sector.

In 2012, based on JICA Grant Aids, 300 wells were completed in the central plateau region and southern central region in Burkina Faso. In tandem with this program, JICA has been pursuing the Project for Enhancement of Water Supply Infrastructure Management and Hygiene and Sanitation in the Central Plateau Region, which began in 2009.

In Burkina Faso, new wells may stop operating because of the lack of leadership by water management committees in charge of managing each well and the low awareness of the need for participation by local residents. To avoid this problem, JICA combined multiple water management committees into water utilization cooperatives for each rural settlement. The main point to this type of organization lies in members of the cooperative mutually targeting a sustainable management system with technical support from public administrative institutions. Under the system, when large-scale repairs for a well are beyond the capabilities of the water management committee in charge, it can be handled by the cooperative. Consequently, the operating rates of the well improve. In addition, the project is aiming to build a water supply facility operation and maintenance system in which the roles and responsibilities of each stakeholder, such as local public bodies, water utilization cooperatives and pump repairers, have been clarified through agreements and contracts. The project seeks to persistently explain the advantages of the new system to local residents while establishing water utilization cooperatives and strengthening their capacity. The initial pilot operations in three prefectures in the central plateau region has spread to the entire region and looks to be going to spread throughout the country. Moreover, through the hygiene education activities that were combined with the project right from the start, JICA is also providing aid in getting local residents to understand the importance of safe water and in establishing good hygiene habits, such as washing hands.



Communal wells have been built in each village in rural settlement areas of Burkina Faso. Women and children carry the heavy water tanks for many kilometers back and forth from the wells.



Spreading good hygiene habits among the villages is the job of volunteers.

● JICA Activities

1. Water Resource Management and the Efficient Use of Water

The appropriate management of water resources is essential in the situation where available water resources are limited against the growing demand for water. This refers to a need for coordinating water allocation to different sectors while preserving the water environment. Avoiding this coordination would increase the disorderly use of water, resulting in repeated environmental destruction such as “the Tragedy of the Aral Sea”. Furthermore, it is anticipated that there will be frequent incidents of flooding and drought due to climate change. From the perspective of promoting integrated water resource management, evaluating the impact of climate change on water resources, JICA actively supports developing countries mainly in the formulation of water resource management plans.

To properly manage limited water resources, the efficient use of water becomes paramount. This includes the promotion of water-saving in agriculture and reuse of treated wastewater. JICA is proactively providing assistance in this area, particularly in the reduction of non-revenue water caused by leaks from pipes, etc., where Japan’s experience and technology can be put to good use.

2. Improving Access to Safe Drinking Water and Sanitation Facilities

The access to safe drinking water and basic sanitation facilities (toilets) is included in the Millennium Development Goals (MDGs) and is one of the major development challenges of the international community. The access to safe water and sanitation was declared a “human right” at the United Nations’ General Assembly held in July 2010.

Nevertheless, in 2010, 780 million people around the world still did not have access to safe drinking water and 2.5 billion were without access to basic sanitation facilities.

As a member of the international community, JICA is working proactively to accelerate the progress towards improving the situation. Specifically, JICA is promoting construction of water supply facilities through financial assistance while strengthening operation and maintenance of the facilities through technical assistance both in urban and rural areas. Particularly in urban water supplies, JICA deals with the improvement of water supply corporations management, mobilizing private sector financing to meet the huge needs for developing water supply facilities.

With regard to the stagnant progress towards improving access to sanitation facilities, JICA is steadily expanding its intervention primarily in Sub-Saharan Africa.

3. Mitigation of Water-Related Disasters

Water or the lack of it is also a cause of disasters: the lives and assets of many people are lost to floods, drought, and other water-related disasters around the world. The increase in torrential rains and drought due to climate change has led to growth in the number of water-related disasters. These

disasters represent a major obstacle to achieving sustainable societies and economic development in developing countries. To prevent the hard-earned results of aid by developed countries and efforts at progress by developing countries to be wiped out by a disaster, it is important to build strongly disaster resistant societies in developing countries.

Toward that goal, JICA is providing aid that leverages Japan’s experience with and technology for dealing with flood control and drought management to the maximum. By providing financing cooperation for building anti-disaster structures, Technical Cooperation and other aid, JICA is working to bolster developing countries’ capacity for dealing with floods and other water-related disasters.

Disaster Risk Reduction

● Overview of Issue

The prevalence and damage of disasters has increased in the past 30 years or so, as storm and flood damage, earthquakes, volcanic activities and other disasters occur across the globe almost daily. People in developing countries are particularly vulnerable due to urbanization, which accelerates the concentration of people in cities and delays the provision of social infrastructure. Natural disasters do more than claim life; they directly impact people’s livelihood and aggravate the poverty cycle. Whereas the previous mainstreams of disaster assistance were centered more on structural measures such as construction of dams and levees, there is also a need for compound measures that emphasize nonstructural assistance such as installation of disaster warning systems, creation of hazard maps, and evacuation drills to improve the emergency response of people and society to disasters.

● JICA Activities

1. Activity Policy

Based on a disaster management cycle (DMC), which entails emergency response, recovery and reconstruction, and preparedness and mitigation activities, JICA leverages its experience to provide assistance in the following areas.

1) Efforts toward a Safe and Secure Society

The risk of natural disasters is increasing in developing countries. JICA makes use of Japan’s leading technical capabilities in disaster prevention to evaluate risk in developing countries, propose measures to mitigate latent risk and preventive measures for conceivable disasters so that people can live with peace-of-mind.

2) Aid for the Formulation of Integrated Disaster Management Plans

JICA provides aid for the formulation of integrated Disaster Risk Management plans and action plans that include identifying disaster-related hazards and risks, improving the disaster management systems and capabilities of administrative institutions, establishing the relevant legal framework, enhancing awareness and strengthening response.

Investigative Research on “Mainstreaming Disaster Risk Reduction” Aimed at Achieving Sustainable Development

Based on collaboration with external experts, JICA has established an investigative research project on mainstreaming disaster prevention. The project is examining what type of sustainable development can be achieved based on the measures taken for disaster prevention.

“Mainstreaming Disaster Risk Reduction” means to include measures to reduce the risk of a variety of scales of disasters in “every stage of development in every field.” Through this process, JICA seeks to build a disaster-resilient and flexible society, protecting people’s lives from disasters and aiming to achieve sustainable development.

From the latter half of the 1980s, the international community has steadily recognized the importance of disaster risk reduction (DRR) as part of development efforts. This was formally recognized at the 1st World Conference on Disaster Reduction in 1994 with the declaration in the Yokohama Strategy that “Sustainable economic growth and sustainable development cannot be achieved in many countries without adequate measures to reduce disaster losses.” At the following 2nd world conference held in 2005, the announced Hyogo Framework for Action confirmed the importance of effectively including consideration of DRR measures in sustainable development efforts.

In Japan as well, the government has in the past made strategic and continued investment in measures to reduce the risk of disasters. After the mega disasters such as Ise Bay Typhoon (1951) and the Great Hanshin-Awaji Earthquake (1995), the Japanese government has revised its laws and systems based on the country’s experiences with these large-scale

disasters, making continued efforts to get a DRR perspective incorporated in various sectors. These measures have not only contributed to reducing the number of lives lost to disasters, but also to Japan’s economic development.

For example, in Bangladesh it has been reported that considering DRR when building a school has contributed to reducing the number of lives lost during flooding disasters. An emergency shelter function was added during original construction.

However, does such investment in DRR contribute to economic growth? In other words, until now, there has been no quantitative proof of the benefits of investment in DRR. To that end, JICA set up an investigative research project on mainstreaming DRR based on collaboration with external experts. The project has developed a Dynamic Stochastic General Equilibrium (DSGE) model named as the DR²AD Model. Using Pakistan as a test case, the project created a simulation using the DR²AD Model. The findings showed that investment in DRR not only contributed to economic growth, but also to correcting social disparities. The results of the simulation are outlined on page 87 of the United Nations International Strategy for Disaster Reduction (UNISDR)’s Global Assessment Report on Disaster Risk Reduction. JICA plans to make the model available to the public in future. It is expected that the model will be used for

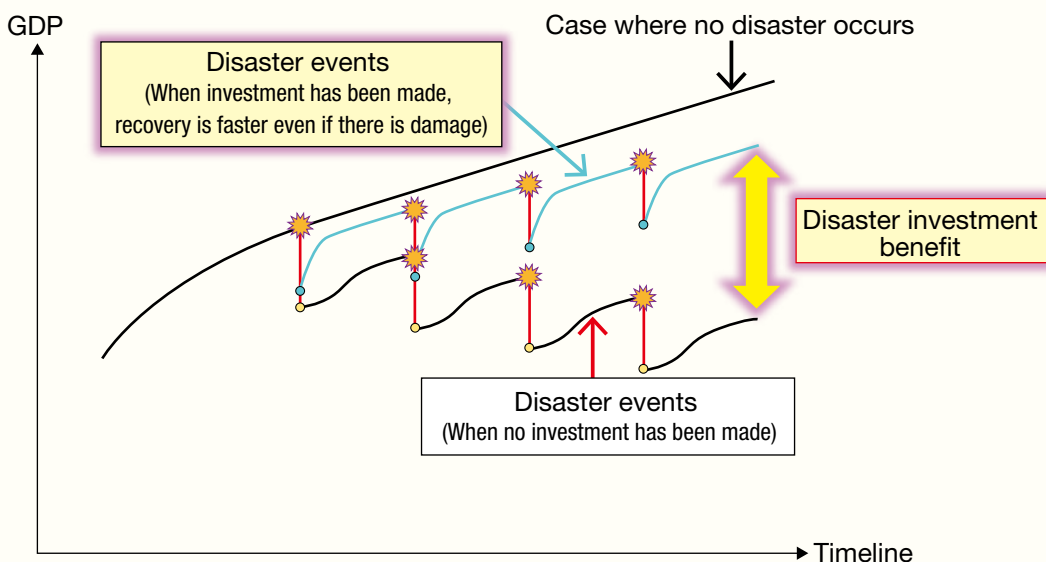
simulations in various countries, leading to further refinement of the model.

Based on the model’s results, JICA is making it a policy to pursue effective investment in DRR and plans include a DRR perspective in all of its development activities. Up to this point, consideration of DRR was mainly included when executing projects in various sectors. For example, when building roads in a region of Cambodia where flood risk is high, the road levels were raised to give them the function of a levee, reducing the risk of a flooding disaster. In future, JICA plans to systematize this “internal packaging of a DRR point of view.” By first determining the disaster risk and incorporating measures as necessary at the start of all projects, JICA intends to mitigate the risk of disaster, and by extension achieve sustainable development in counterparty countries.



The above school in Bangladesh is an example of mainstreaming DRR. The school was built to also function as an emergency shelter in the case of a disaster.

Basic Conceptualization of Investment in Disaster Prevention



3) Assistance with Understanding and Popularization of Disaster Risk Management

Based on Japan's experience, in addition to "public-help," "self-help" by developing countries and "mutual-help" are important. However, community-based measures are especially key in developing countries where the disaster risk management capabilities of administrative institutions remain insufficient. To keep such measures operating on an ongoing basis, JICA directs assistance toward strengthening such capabilities among communities and individuals, as well as reinforcing collaboration by these groups with public organizations.

2. Major Activities

JICA collected and analyzed training and other materials used during the Great East Japan Earthquake. Based on that analysis, JICA proposed a new international disaster cooperation approach aimed at creating a "Disaster-Resistant, Flexible Society." The three points of the approach are 1) The ability to recognize risk and take action properly (Risk Literacy), 2) mitigating the risk of disaster by formulating disaster measures for multiple cases and including a disaster prevention perspective of activities in other fields (Redundancy) and 3) continuously upgrading disaster measures to adapt changes in society and scientific verification (*KAIZEN*).

Among other activities, major flooding occurred in Thailand for more than three month commencing in July 2011. The flooding affected as many as 2.3 million people. Industry, including Japanese-affiliated companies suffered serious damages. JICA quickly dispatched investigative and expert teams and pumper trucks, implementing an emergency response and activities to support recovery and reconstruction.

Climate Change Measures

● Overview of Issue

The issue of climate change has an impact on the entire infrastructure of human life, including the ecosystem, society and the economy. It is a global challenge that poses an enormous threat to equitable economic growth, poverty reduction and human security. Recently, phenomena considered as negative effects of climate change, such as the submersion of coastal lowlands due to rising temperatures and sea levels and increases in extreme weather and natural disasters including droughts, torrential rain, floods, and declines in food production and water resources, have been reported in various places. The impact of climate change is expected to seriously affect our lives more intensively and extensively in the future.

● JICA Activities

1. Supporting the Efforts for Reduction of Greenhouse Gases

In recent years, greenhouse gas emissions from developing countries have been increasing rapidly. In order to minimize the negative effects of climate change, it is essential that the

ongoing efforts to reduce emissions of greenhouse gases or "mitigation measures," involve not only developed countries but also developing countries.

For those developing countries faced with large number of issues such as poverty reduction, it is important to take an approach that both reduces greenhouse gas emissions and bears benefits such as improvements in livelihood and economic development. JICA extends cooperation in areas including the introduction of renewable energy, promotion of energy saving, improvement of urban public transportation system, solid waste management, forest management and support for afforestation. JICA also provides extensive support for the formulation of policies and strategies, such as development of national greenhouse gas inventories, establishment of energy-saving laws and low-carbon urban development.

2. To Protect People in Developing Countries from the Negative Impact of Climate Change

Developing countries, and the poor in particular, are extremely vulnerable to the impact of climate change. JICA provides assistance to adaptation measures in accordance with each country's needs. These include developing capacity in shore protection and embankments, construction of drinking water supply facilities, appropriate management of water resources, ecosystem protection, promoting irrigated agriculture and dissemination of drought-resistant agricultural crops.

Furthermore, JICA is formulating and implementing adaptation measures tailored for each region and country based on meteorological observation, climate change prediction and impact evaluation. Such cooperation will become increasingly important in the future.

3. Concurrently Targeting Climate Change and Sustainable Development

The climate change issue is closely related to a variety of issues faced by developing countries in sectors such as energy, transportation, forests, water resources, disaster prevention, agriculture, and health and sanitation. For the developing countries, the climate change issue is inseparable from development.

By drawing on past experiences and achievements in supporting sustainable development, and on the basis of international discussions, JICA provides support for climate change measures in developing countries in a comprehensive way, from the policy level to implementation of projects, research, etc., while collaborating with concerned domestic and international organizations.



Senegal: Brightly dressed women from farming families [Photo by Shinichi Kuno]

Director General's Message

Rural Development

Teruyoshi Kumashiro
Director General
Rural Development Department

Focused on Sustainable Agricultural Production, Stable Food Supply and Promoting Dynamic Rural Communities

Among other goals, JICA's cooperation for agriculture and rural development seeks to reduce poverty in rural areas, promote economic development and ensure proper nutrition for people in developing countries. JICA's efforts are focused on the objectives of sustainable agricultural production, stable food supply and promoting dynamic rural communities. In fiscal 2012, the Rural Development Department drew up a position paper on agriculture and rural development that will guide the operations of this section from fiscal 2013 onward.

Food prices, which have been consistently high since 2008, peaked again in 2012 in the wake of a drought in the United States and other factors. This issue was recognized in such global forums as the G8 summit held in the United States in 2012, which included aid for developing countries seriously impacted by surging food prices on its agenda.

To begin with, we are taking steps in Africa to increase productivity, build value chains, and achieve agricultural and rural development that is resistant to droughts and other shocks. To that end, we conducted numerous aid activities in fiscal 2012. We continued the Coalition for African Rice Development (CARD) initiative that aims to double rice production in Sub-Saharan Africa over a 10-year period. In Mozambique, we worked on agricultural development inclusively in the Nacala Development Corridor inviting the private sector in collaboration with Brazil. In Kenya and other countries in Africa, we implemented projects to increase the capacity of small-scale horticulture farmers to operate farming as a business. We also provided aid to make effective use of the scarce water in the Horn of Africa region, which suffered from drought in 2011.

Among our international community activities, in accordance with the New Alliance for Food Security and Nutrition agreed on

at the U.S. G8 summit, we participated in the formation of a cooperation framework document for Mozambique that involved the country's government, donors and the private sector.

We also provided wide-ranging aid to post-conflict countries, such as Afghanistan, Iraq and South Sudan, where the agriculture sector plays an important role.

In 2012, the Rural Development Department drew up a position paper on agriculture and rural development that will guide the operation of this section going forward.

In fiscal 2013, in addition to our programs mentioned above, we are providing aid to promote the participation of private sector companies in the agriculture and rural development sector, produce high quality and safe food in countries where income levels are relatively high, contribute to climate change measures through agriculture and assist Myanmar. In May 2013, the Japanese government included agriculture as a new frontier in its infrastructure export strategy. As a result, we plan to redouble our efforts to provide aid that contributes to development in developing countries while at the same time contributing to the overseas business development of Japanese companies, including small and medium-sized enterprises (SMEs).

Rural Development

— Addressing Global Food Security and Poverty



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

Since rising sharply in 2008, the price of food has hit peaks again in 2011 and 2012. Even after these three peaks, food prices have continued to rise. These soaring prices pose a threat to the food security of developing nations. They are particularly damaging to the urban poor and to the rural poor; such as small-scale farmers and fishers who cannot even produce and catch enough food to meet their own needs.

JICA is providing cooperation to address the issues of agricultural, maritime and rural development. The goal is to contribute to the Millennium Development Goal (MDG) of “eradicating extreme poverty and hunger” by offering aid for food production, food supply and nutrition to the residents of both rural and urban areas.

Agricultural and Rural Development

● Overview of Issue

The environment surrounding agricultural and rural development has been diversifying because of such factors as the rapid advance of globalization, climate change, skyrocketing food and crude oil prices, growing demand for biofuels, changing food preferences as personal incomes rise, the expanding participation of the private sector, global competition for farmland, and post-conflict rehabilitation. As in many developing countries, farmers account for the majority of the population and three-fourths of impoverished people live in rural areas, rural residents in developing countries are greatly affected by these changes.

Stable Food Supply

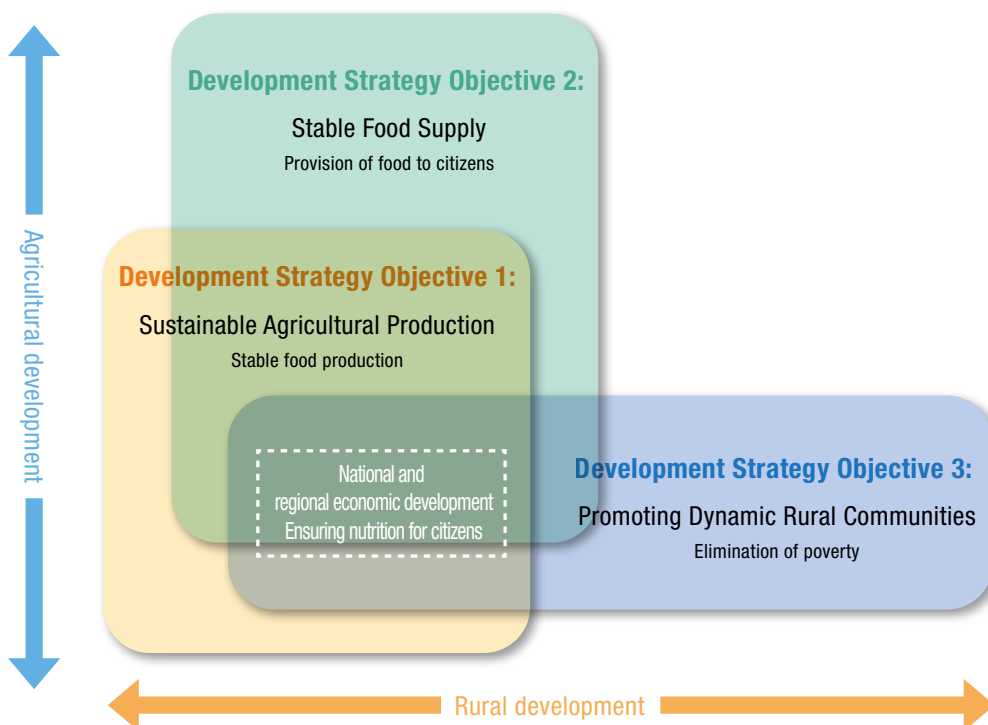
According to an estimate by the Food and Agriculture Organization of the United Nations (FAO), the number of people in developing countries suffering from malnutrition is expected to be around 852 million during the period from 2010 to 2012, remaining at a high level. It will therefore be difficult to achieve one of the targets of Goal 1 of the MDGs, namely to “Halve, between 1990 and 2015, the proportion of people who suffer from hunger.”

Consistently providing people with the food that they need (food security) is the foundation for economic and social stability and an important policy issue. However, the food security of many developing countries is easily affected by unstable climates due to such factors as insufficient capacity of

government in planning and implementation, underdeveloped agricultural infrastructure, low levels of production technology, and inadequate distribution systems that threaten the food security of citizens.

Consequently, this situation results in health deterioration, causes the outflow of valuable foreign currency to pay for food imports, and accelerates urban shifts as well as the abandonment of farming. These influences in turn lead to a worsening of poverty in urban areas, a contributory factor to social and economic instability in a country.

Agricultural and Rural Development Assistance Objectives, Philosophy and Goals



Reducing Rural Poverty

According to the World Bank's 2012 report, despite a decline in the proportion of people living in extreme poverty (less than \$1.25 a day), their number will still amount about 1 billion even in 2015 compared with 1.29 billion in 2008. Regionally, the world's poor population is concentrated in Sub-Saharan Africa and South Asia. On the other hand, while self-sufficiency rates for major grains have improved somewhat and the urban middle class is growing in such regions as South America and Southeast Asia, urban and rural disparities exist. In these regions, there is a need to devise ways to narrow the increasing economic gap between urban and rural areas.

It has been reported that the poverty reduction effect of growth driven by agricultural is at least twice that of growth driven by other industries. Moreover, in countries with lower income levels, such as in Sub-Saharan Africa, the high proportion of agriculture in the GDP means that in many cases people are pinning their hopes on agriculture as the source of economic growth.

● JICA Activities

JICA's cooperation in agricultural and rural development aims to ensure a stable food supply to people in both rural and urban areas and reduce poverty in rural communities—thereby driving economic development at national and regional levels. Through these activities JICA strives to contribute to achieving Goal 1 of the MDGs.

For this reason JICA has established the following three specific cooperation objectives.

1. Sustainable Agricultural Production

Risks involving the food supply are a complex combination of short-term and long-term factors. Short-term risk factors include poor harvests owing to bad weather and accompanying speculation. Long-term factors involve population growth in emerging countries, changes in the demand structure in those countries, limitations on production resources such as land and water, vulnerability to climate change, and competition between rising demand for biofuel and food. As a result, dealing with these issues requires determining measures for each cause based on the differing circumstances of each region. JICA is aiming to achieve sustainable agricultural production in order to address these diverse problems.

In its approach to enable stable agricultural production, first, JICA provides aid for drafting agricultural policies reflecting the characteristics of the partner country's overall agricultural sector. Based on these policies, JICA provides cooperation from the perspective of the overall value chain, from production to distribution and sales. Initiatives include establishing, maintaining, and managing infrastructures for agricultural production such as irrigation systems; improving the procurement and use of seeds, fertilizer and other agricultural production materials; and establishing and utilizing production technology for grain, livestock and other items while supporting institutional strengthening of associated organizations.

In addition, JICA has started examining and taking actions regarding increasing the resilience of agriculture to climate change. Activities include developing second-generation biomass energy, which does not compete with food production; establishing stockpiling systems; using

Case Study Cambodia Activities to Reduce Poverty in Rural Areas by Improving Agricultural Productivity

Comprehensive Approach Includes Software and Hardware Aspects

JICA is providing aid for building irrigation systems, improving irrigation technology and improving farming operations in rural areas, where more than 90% of Cambodia's poor live. The aid is being provided through a combination of Technical Cooperation, Grant Aid and Loan Aid.

Despite steady improvement, Cambodia's poverty rate remains at the high level of 26% (2010). Under these circumstances, agriculture plays a role in providing income and employment opportunities necessary for reducing poverty, particularly in regional areas. However, the full potential of rural areas has yet to be tapped.

To contribute to reducing poverty in rural areas, JICA is aiding with improving agricultural productivity in both hardware and software aspects. In terms of hardware, JICA is utilizing Grant Aid and Loan Aid to build a foundation for farming operations, such as rehabilitating irrigation systems. In terms of software, JICA is working with Cambodian counterparts from the ministries of water resources and meteorology and agriculture, forestry and fisheries to provide

training in farming technologies and other areas. In the course of rehabilitating irrigation systems, Japanese experts give instruction in water management methods to make efficient use of the limited water available for irrigation.

They also provide aid with establishing and strengthening the irrigation associations through which the farmers manage system maintenance on their own. Furthermore, when giving instruction in farming technologies, JICA supplies high quality fertilizer and experts provide technical instruction in its use.

In this manner, JICA is combining the resources it has to invest in an organic fashion to provide aid that makes farmers themselves recognize

such changes as the increased productivity of agricultural products and increased income. To this end, experts continually exchange information and work toward the same goal.



Inspecting a seed production farm just before harvest

agricultural statistics and introducing weather insurance; and promoting the private sector's entrance into the market. Furthermore, along with their rising incomes, citizens of developing countries are increasingly demanding high value added agricultural and livestock products as well as taking a greater interest in such food issues as quality and safety. These issues also need to be addressed.

Africa accounts for the largest portion of people suffering from malnutrition in the world (35% of the total population in 2011), and is in great need of expanded food production. The amount of rice consumed in Africa is growing rapidly and there are excellent prospects for achieving sustainable growth in rice production. Therefore, rice is believed to be the key to eradicating the lack of food security on the continent.

With other donors, JICA launched an initiative called the Coalition for African Rice Development (CARD) in 2008. The goal is to double rice production in Africa from 14 million tons to 28 million tons over the 10-year period ending in 2018. To reach this target, JICA is providing aid for the formulation of National Rice Development Strategies in the 23 rice-producing countries in Africa and for boosting rice production in line with the strategy of each country. In the CARD first group of 12 countries, rice production increased 27% from 14 million tons in the reference year to 17.78 million tons in 2011.

2. Stable Food Supply

Sustainable production is the premise for the provision of a stable food supply to the people of a country. In addition, ensuring a stable supply requires the establishment of food supply and demand policies for an entire country that reflect

international food security. Creation of a framework for food imports and the proper use of food aid are also necessary.

For example, Mozambique is in a tropical savanna that has immense potential for expanding agricultural production. Here, JICA is implementing triangular cooperation with Brazil, which has become one of the world's leading exporters of agricultural products through the development of its Cerrado, which is also a tropical savanna. Leveraging knowledge derived from past agricultural development cooperation with Brazil, this cooperation is aimed at alleviating poverty among small-scale farmers and reducing domestic food problems. As a result, this contributes to international food security. Moreover, in Ethiopia and Kenya, which suffer from frequent droughts, JICA is doing more than providing emergency and welfare measures to assist in the proper use of food aid. JICA also provides aid to increase the capacity of these countries to produce and maintain a stable supply of food through their own efforts.

3. Promoting Dynamic Rural Communities

For rural development that reduces poverty, it is important to aim for social changes and invigoration in rural villages from the standpoint of developing agricultural economies and enhancing the livelihood of people. Accomplishing this goal requires going beyond simply raising productivity. Agricultural management must also be upgraded. For instance, the distribution and sale of food must be improved, the food processing sector energized, export promotion measures strengthened, and non-agricultural income increased.

Furthermore, aid is needed that brings together a diverse range of fields. Local administrative functions must be

Case Study Rural Development in the Afghan-Tajik Border Area of Badakhshan

Delivering Aid to Rural People through Collaboration with Grass-roots Partners

To provide aid to local people beyond the limited access and security in the rural region near borders of Afghanistan and Tajikistan, JICA is working on community development with a partner rooted in the region.

Improvement of the livelihood of rural communities is key to peace and security in Afghanistan, where about 80% of the population lives in rural areas.

Under these circumstances, JICA has been collaborating with the international NGO, Aga Khan Foundation since 2011, for community development of the Badakhshan border region, most inaccessible remote area of the both countries. Construction of infrastructure such as bridges and schools has been launched based on the needs and priority identified through participatory public hearings.

The boarder area of Badakhshan is located in the hilly terrain of the Hindu Kush and Pamir Mountains. The region is covered in deep snow in winter and avalanches and flash floods in spring bring about significant damages. With such severe natural conditions,

construction work can only be done during a short period from late spring to fall. Aid from Japan is delivered to this inaccessible region overcoming so many constraints thanks

to Aga Khan Foundation, which has rooted in the region with capable local staff dedicating themselves to grass-roots community development. This partnership enables JICA to contribute rural development in areas that could not be outreached on its own. JICA plans to further collaborate with other international agencies and local NGOs, such as the Food and

Agriculture Organization of the United Nations (FAO), to expand its service to needy people beyond the security constraints.



The representatives of residents in Shughnon district of Badakhshan Province discussing the business plan (Photo by Aga Khan Foundation).

strengthened and rural infrastructures such as community roads and drinking water supplies established. The rural living environment must be improved and level of health and education for residents enhanced. Other examples of aid are the participatory development of rural areas and narrowing gender gap.

To stimulate rural development, JICA supplies aid to local administrative institutions in drafting development plans with the participation of rural residents. JICA also provides aid for the establishment of implementation systems that enable the community to raise income and improve people's livelihood, as well as for improving the distribution and sale of agricultural products. Moreover, for post-conflict countries, because agricultural and rural development is often a key component of aid, JICA gives priority to these activities.

In Kenya, JICA proposed market-oriented agriculture with the concept of "making efforts to produce marketable and better quality crops" instead of the traditional style of "producing (crops) first and marketing second" through a Technical Cooperation Project, Smallholder Horticulture Empowerment Project (SHEP). The project encouraged the smallholder horticulture farmers to conduct market survey, select priority crops and prepare action plans to target better markets. The extension officers supported them by providing technical assistance during the process. Moreover, the project emphasized gender-awareness activities based on the concepts of "equal opportunity" and "equity in outcomes" for both gender groups in order to overcome gender-related obstacles for increasing household income of the farmers. As a result, the average net-income of the farmers targeted by the project has doubled—and JICA is now implementing another project called Smallholder Horticulture Empowerment & Promotion Unit Project (SHEP UP) to apply this market-oriented approach throughout Kenya. Projects incorporating the same concept are also under way in Rwanda and Palestine. Furthermore, wider application of the approach in various African countries is being



By doing their own market survey, growing and selling their selected crops, farmers' attitude toward marketing was transformed from one based on the mind set of "harvest (crops) first and then sell" to "harvest (strategically) to sell".

planned and will be adapted to meet the specific conditions in each country.

Fisheries

● Overview of Issue

Fisheries resources from the oceans, rivers and lakes are important sources of food for people in developing countries. According to FAO, fishery products constitute nearly 20% of animal protein intake in developing countries and they are often among limited choices of affordable protein source. Fisheries resources are basically "open access resources" that can be harvested with simple gears. As such, the fisheries sector plays an important role in terms of providing a valuable means of livelihood for most vulnerable population such as women-headed households and those people who do not possess production assets. Developing countries account for 50% or more of the world's exports of fisheries products in value terms and 60% or more in volume terms (2010), making this industry vital to the economies of these nations.

World fisheries and aquaculture production is currently 148 million tons (2010). However, the capture production from marine waters reached a peak in the 1990s and it is believed that these resources have been almost fully utilized since then. In recent years, the stagnant capture production has been supplemented by rapidly growing aquaculture production, which now accounts for 40% of total fisheries production.

Even in the developing countries the decline in fishery resources is evident, probably due to overfishing and the destruction of the natural environment and ecosystems. However, the practice of proper management of fishery resources has not yet been sufficiently adopted by fishers. Fishers are often deprived of alternative means of livelihood and hence they have a strong tendency to prioritize immediate economic returns rather than long-term sustainable benefits. Therefore, implementing effective management of fisheries resources, which can be accepted by a majority of fishers, is a key challenge in these countries.

● JICA Activities

As mentioned above, lack of proper management of fisheries, which causes further deterioration of valuable fisheries resources, is a major issue in the fishery sector. However looking only at the resource aspect will not lead us anywhere since fishing villages, which are often located in rural marginalized areas, also face a wide range of social issues including chronic poverty. It is hence fundamental that fisheries management issues are addressed within the overarching framework of "fishing communities (villages) development", which adequately incorporates the aspect of fishers livelihoods.

JICA's cooperation in the fishery sector has three main objectives: ensure the stable supply of food to local people, eliminate malnutrition by providing valuable nutrition and reduce poverty by providing a means of earning livelihoods to the poor. Adequate management of fisheries resources will

provide a good basis for achieving these objectives and is a key to fishing village development. JICA has set the following three pillars for its cooperation.

1. Vitality in Local Fishing Communities

Empowering fishing communities to alleviate chronic poverty requires a comprehensive approach. The efforts to promote sustainable fisheries resource management would be more effective if these are supplemented by activities that stabilize communities' livelihoods. These may include the promotion of alternative income generation activities such as agriculture, and the provision of education, health services and other social development programs.

JICA provides support for fisheries infrastructure development such as construction of fish markets that promote efficient fish marketing as well as community members' collective actions. JICA also works to improve the capacity of fisheries organizations as well as women's group fish processing and sales activities.

2. Stable Food Supply (Effective Utilization of Fisheries Resources)

Food security issues are getting more serious in a number of developing countries due mainly to rapidly growing population. This situation inevitably puts further pressure on utilization of fisheries resources. In order to ensure sustainable supply of fish while avoiding overexploitation of resources, the fisheries sector urgently needs to make a major shift in production efforts; from "fishing" to "fish farming". In response to such needs, JICA is now exerting due efforts on promoting fish farming. In promotion of aquaculture in rural areas, JICA

takes a unique approach of "farmer-to-farmer training. In addition, JICA is assisting human resource development in aquaculture, targeting researchers, technicians and extension workers.

Fish and fishery products are highly perishable. In developing countries where the distribution infrastructure is underdeveloped, post-harvest loss is an issue. JICA provides support for improvement of related facilities of fish landing, distribution and marketing for better quality and hygienic control. Such efforts are complemented by technical assistance on fish processing and preservation.

3. Appropriate Preservation and Management of Fisheries Resources

Fisheries resources are basically "renewable" resources if proper management is put in place. Having learned the lesson that government led top-down approaches may not be an effective way to promote fisheries resource management, JICA is applying a co-management approach, incorporating awareness building and capacity development among groups of fishers and facilitating collaboration mechanisms among key stakeholders.

JICA also put its emphasis on capacity development of fisheries administration for supportive policy framework and effective implementation. Collection of scientific data for informed decision-making and support for regional initiatives are also a part of this direction. With the participation of local fishers, JICA works to preserve and restore critical habitats of marine and inland water ecosystems, including seagrass beds.

Case Study Republic of Benin Promotion of Inland Aquaculture

New approach in aquaculture extension in Africa

In Benin, fisheries production from natural water bodies can no longer meet the high demand for fish and it has become dependent on importation of fish from foreign countries. As chances of increasing fisheries production from natural water bodies are very slim, the country has now high hopes for the aquaculture sector to bridge the gap between demand and supply of fish. Based on the results of JICA's project "the Study on the Promotion of Inland Aquaculture for Rural Development in the Republic of Benin", JICA is implementing a technical cooperation project on aquaculture extension in the Southern region of the country.

In this project, effectiveness of a new approach of aquaculture promotion, namely application of farmer-to-farmer (FTF) training, has been field-tested. In the framework of the FTF training approach, core farmers play an important role in terms of providing necessary inputs (seed, feed and training) to ordinary farmers. In this way, the administrative efforts and costs of government institutions for aquaculture promotion/extension can be significantly reduced. Core farmers trained by the Project act as local trainers but at the same time, they can maintain the motivation for doing so as they can gain economic benefits by selling feed and seed to ordinary farmers.

Another activity of the project is promotion of backyard tank culture of catfish in peri-urban areas. This activity is mainly pursued by groups of women utilizing micro financing schemes. The promotion of aquaculture has led to the diversification of income generation opportunities in peri-urban and rural areas. As a result of this technical cooperation, at least 500 households have started or re-started fish farming, which has contributed to improving their livelihoods.



Back yard culture of catfish by a women's group. About 70kg can be raised in a single tank. The cultivation period is about four months.



Tunisia: Quality/productivity improvement project



Takumi Ueshima
Director General
Industrial Development and
Public Policy Department

Director General's Message

Industrial Development and Public Policy

Drawing Out the Vitality of the Private Sector

The Industrial Development and Public Policy Department comprises the private sector, energy and mining and governance groups. In fiscal 2012, the department took steps to enable it to draw out the vitality of the private sector in developing countries to the greatest extent possible. The department strengthened the synergies with each group and proceeded comprehensively with aid for policy and system reform that will improve the business environment, fostering of human resources for industry and supporting industries and energy and mining development.

In today's world, the private sector has taken on an extremely large role in the development of developing countries.

With that in mind, JICA has provided assistance to Asian countries, such as Viet Nam, and to other developing countries with an eye to promoting overseas investment in the private sector. We have assisted with systems and strategies to improve the business environment in the areas of legal, taxation, finance and securities, customs and intellectual property systems and administrative and fiscal reforms.

Another important aspect of developing the private sector is the fostering of human resources for industry and supporting industries, which form the foundation for manufacturing. For example, in India, where there has been a rapid increase in the entrance of Japanese companies into the market, we are providing assistance for training the core management personnel of the manufacturing industry, sharing the essence of Japan's monotsukuri or manufacturing craft. In Mexico, where many Japanese automobile companies have set up local production, we have dispatched experts well experienced in monotsukuri to assist automotive component manufacturers and other supporting

industries in upgrading their operations.

In the energy and mining field, our assistance focuses on electric power, the capital investment bottleneck for many developing countries. In fiscal 2012, to make our aid more efficient and effective, we implemented a policy of Low-Carbon, Low-Cost, Low-Risk (3L) in this field.

We were also active in many other fields. We extended assistance to spread the KAIZEN network in Ethiopia and other countries in Africa and to develop local industries through such movements as "One Village One Product." We assisted projects to achieve smooth distribution of goods, such as the Asia Cargo Highway Concept and the One Stop Border Post (OSBP) system. Moreover, we provided assistance through our Japan Centers for Human Resources Development in Indochina.

In fiscal 2013, putting the knowledge of Japan's private sector to good use, we will carry on with active efforts to draw out the vitality of the private sector in developing countries as much as possible from the point of view of advancing development.

Private Sector Development / Energy and Mining / Governance

— Achieving Sustainable Growth and Democratic and Fair Societies in Developing Countries



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

JICA assists developing countries with building up their private sectors, which serve as an engine for economic growth. While focusing on promoting trade and investment, small and medium-sized enterprises development, the vitalization of local industry and economy, and tourism development, JICA provides broad-ranging assistance to develop industrial infrastructure, including support for the stable supply of electric power, mining, renewable energy, and energy conservation. JICA also strives to strengthen governance through its cooperation in establishing legal and judicial frameworks, making government more efficient and transparent, improving the administrative capacity of local government and strengthening fiscal and monetary management. Through these activities, JICA is promoting sustainable growth as well as democratic and fair societies in developing countries.

Private Sector Development

Because it acts as an engine for economic growth, development of the private sector is one of the top priorities for achieving independent and sustainable development of the economic system in a developing country. This is particularly important because along with the progressive globalization of the world's economy, business activity is increasingly going beyond national borders. Therefore, in developing the private sector of a developing country, the major issues are ensuring that the economy appropriately benefits from globalization and that the benefits of economic development are spread widely among the population. With this in mind, JICA provides assistance across a broad range of areas that contribute to

vitalizing the private sector in developing countries. Those areas include promoting trade and investment, developing small and medium-sized enterprises and nurturing human resources in the industry sector and developing regional economies and industries.

In recent years, Japanese companies, particularly manufacturers, have actively established operations in developing countries, playing a large role in developing their private sectors. Reinforcing its collaboration with those companies has boosted the effectiveness of its assistance for developing countries. At the same time, greater cooperation has contributed to strengthening economic ties with the counterparty countries and to mutual economic development.

Case Study

Private Sector Development Establishing a Japan Center for Human Resource Development

Developing the Human Resources Responsible for the Future of Myanmar's Industry

In August 2013, the fourth Japan Center for Human Resource Development in the ASEAN/Indochina region opened in Myanmar.

Beginning its research in February 2012, JICA held ongoing discussions with Myanmar's Ministry of Commerce and the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) as it continued to progress with preparations to open the Myanmar-Japan Center for Human Resources Development. The mission of the center will be to develop human resources for business management and to promote personnel exchange between Myanmar and Japan. The center is located on the 11th floor of the UMFCCI building in Yangon, the commercial center of Myanmar, suggesting the high expectations for JICA's cooperation in future.

Over the next three years, JICA will build up business training programs at the center that utilize Japanese-style management and

production management methods and are taught by instructors dispatched from Japan. In addition, JICA will provide assistance for the operations of the center, including customized courses for individual companies, dispatching instructors to assist with the development of managers and of curriculums and educational materials. JICA will also focus on developing local instructors for the center's programs, promoting exchanges through industry/government workshops, and other activities.

With a view to ASEAN integration, JICA's policy will be to conduct information exchanges with the other Japan Centers in Viet Nam, Laos and Cambodia to assist with the effective development of the Myanmar-Japan Center's activities.



The Myanmar-Japan Center for Human Resources Development is located in the UMFCCI building.

● Overview of Issue

JICA's cooperation in the development of the private sector aims to contribute to increasing employment and developing the economies of developing countries by enhancing the vitality of the private sector. Because of the lack of government policies, systems, and other measures to develop the private sector, many developing countries are struggling with such issues as the inadequate competitiveness of their companies and industries and a lack of progress with the improvement and diversification of industry.

In addition, along with the expansion of the markets of India, China and other emerging countries, foreign companies, including Japanese companies, are aggressively producing and selling products in developing countries. These activities usually result in the training of local technicians and technology transfer and bring with them a wide-range of employment opportunities. To develop the private sector, therefore, the main issue facing governments in developing countries is how best to collaborate with these Japanese and other foreign companies to enable the absorption of technology and the expansion of production and employment that will lead to effective development.

● JICA Activities

JICA's assistance for development of the private sector can be roughly divided into the areas of promoting trade and investment, developing small and medium-sized enterprises and nurturing human resources in the industry sector and developing regional economies and industries. JICA extends assistance for establishing environments that facilitate smooth business activities and for removing obstacles to trade investment and promoting import and export and investments by corporations. JICA also assists with strengthening the government policy system for developing small and medium-sized enterprises and the implementation systems for each policy and planning industry development that utilizes local resources of rural areas in order to spread the economic benefits broadly throughout the country. These activities link up with economic development, increasing employment and strengthening economic ties with Japan and other countries.

In recent years, interest in entering foreign markets has heightened among Japanese companies. JICA conducts opinion exchanges with and provides information to these companies through investment promotion advisors stationed in each country, investment seminars, and other measures. In addition, JICA's cooperation with developing countries contributes to the overseas business development of Japanese companies. JICA provides assistance for the development of industrial parks, special economic zones and assistance that supports the establishment of a base for business, such as standard certification and intellectual property rights systems. JICA is also emphasizing the nurturing of local human resources in the commercial sector in Asia. In Africa, JICA's focus is on nurturing human resources in the industry sector by increasing commitment to improving quality and productivity and other measures. Through these efforts, JICA is endeavoring to provide cooperation that is useful for the mutual development of the

private sectors of developing countries and Japan.

1. Promoting Trade and Investment

The benefits of developing trade and promoting investment range from new expertise and technology, such as new market creation and finance and management know how, to creating new jobs and strengthening international competitiveness.

To develop trade and promote investment in developing countries, JICA places its priorities on assistance for 1) building business environments, 2) establishing frameworks for promoting trade and 3) establishing frameworks for promoting investment. In particular, building business environments comprises removing barriers to trade investment created by governments and other public institutions and strengthening the promotion of imports and exports and investment by corporations. In these priority areas, JICA focuses on providing comprehensive assistance that covers formulation of policy systems to strengthening concrete policy implementation systems. The following projects are representative of recent efforts in the priority areas.

- 1) **Building Business Environments:** JICA cooperated in projects to strengthen the intellectual property rights protection systems in Indonesia and Viet Nam and with the software aspects of a project to establish a standard certification framework in Viet Nam. In other projects, JICA provided assistance with the hardware aspects of setting up an approximately 70 hectare special economic zone near Sihanoukville Port.
- 2) **Establishing Framework for Promoting Trade:** JICA provided assistance with the strengthening of the functions of an export development agency in Indonesia.
- 3) **Establishing Framework for Promoting Investment:** JICA projects assisted the investment promotion agencies of Cambodia and Zambia with institutional and practical aspects of soliciting overseas direct investment. JICA also dispatched investment promotion advisors to developing countries with an eye to also supporting the overseas business development of Japanese companies.

On the national level, JICA provided an overarching program that covered the high policy level, such as promotion of overseas direct investment and the underpinning industrial policy proposals, as well as the practical level of investment promotion agencies.

Along with today's globalization of economies, there has been a rapid increase in the signing of free trade agreements (FTA) on a bilateral and regional level. JICA is providing assistance to support that process. For example, with the Indonesia-Japan Economic Partnership Agreement, JICA analyzed the benefits of the trade promotion system established by the agreement. JICA also utilized the results to promote the greater utilization of the system by providing assistance for trade procedures carried out by Indonesian public institutions under the agreement. Furthermore, from the perspective of building a multilateral trade system, JICA's assistance is provided within the framework of the World Trade Organization (WTO)'s Aid for Trade (AfT) initiative. Both the software and

hardware aspects of JICA's previously mentioned projects contribute to the AfT movement.

2. Promoting Small and Medium-Sized Enterprises and Nurturing Human Resources in the Industry Sector

JICA's assistance for small and medium-sized enterprises mainly targets 1) establishing policy systems and organizations to promote small and medium-sized enterprises and 2) improving the competitiveness of companies.

There are a vast array of policies and systems required for the promotion of small and medium-sized enterprises in developing countries. To begin with, effective policy development requires basic principles for promoting small and medium-sized enterprises and building and fortifying a system to implement them. In Cambodia, for example, JICA provided assistance in forming a ministry-wide framework for promoting small and medium-sized enterprises and for practical development of policies. JICA assisted with the formulation of basic laws for small and medium-sized enterprises and with implementing promotional measures under the country's high-level policies.

From the point of view of heightening the competitiveness of companies, it is probably necessary to provide assistance regarding so-called "manpower, goods, capital and information," the business foundation of companies. Because providing assistance in these areas to small and medium-sized enterprises often requires going through an intermediary "support organization" that is a public institution or a private sector association, much of JICA's targets improving the capacity of these support organizations. In the case of Thailand, JICA is providing cooperation aimed at strengthening and firmly establishing the services of the support organizations for regional small and medium-sized enterprises.

In particular, assistance for "manpower" or in other words the nurturing of human resources in the industry sector, focuses on measures to boost the competitiveness of companies utilizing Japan's know how in this area. JICA cooperates with the government institutions, educational institutions and other entities that provide such support. The goal of the cooperation is to enable companies to acquire and improve know how necessary to business activities, such as business and production management and manufacturing technology. For example, in India, JICA is implementing innovative measures to contribute to the sustainable development of the manufacturing industry. JICA is training the core management personnel of the manufacturing industry about the essence of Japan's monotsukuri or manufacturing craft, developing the industrial leaders responsible for transforming India's manufacturing industry. The results of this type of cooperation can mutually benefit both the developing country and Japan. It contributes to the development of the manufacturing industry in the developing country and to the business activities of Japanese companies operating locally.

Among its efforts to nurture human resources for the industry sector, JICA is spreading the use of quality/productivity improvement KAIZEN methodologies, one of the areas of Japan's greatest competency. This is especially true in Africa;

in the Yokohama Action Plan 2013-2017 announced at the 5th Tokyo International Conference on African Development (TICAD V), the importance of improving quality and productivity in the public and private sectors through KAIZEN activities was clearly stated. Staying on this path, in addition to Ethiopia, Ghana and Kenya, JICA is newly providing cooperation for private sector development to Tanzania and Zambia, pursuing further mutual collaboration in this field.

JICA is establishing Japan Centers for Human Resources Development (Japan Centers) as focal points for its efforts in nurturing human resources for the industry sector in developing countries. In addition to the eight Japan centers set up in Viet Nam, Laos, Kazakhstan, Uzbekistan, Mongolia, the Kyrgyz Republic, Cambodia and Ukraine, JICA has added a Japan Center in Myanmar.

Through the Business Programs that form the core of their operations, the Japan Centers develop human resources in developing countries that have been trained in Japanese-style management and production management methods. In recent years, this process has evolved one step further by creating networking among the local workers in industry through regular reunions of people who have completed Business Programs and other events. Utilizing the know how and networking built up over the many years of the Business Program, JICA is also providing support and cooperation to Japanese companies doing business in these local markets. Most recently, the number of Japanese companies enrolling their local employees in the Business Programs is growing in countries where Japanese companies are increasingly setting up local operations.

3. Promoting Local Economies and Industries

As the economies of developing countries grow, regional disparities have become a major issue in an increasing number of developing countries. Guided by its vision of "Inclusive and Dynamic Development," JICA aims to spread the benefits of economic growth widely throughout the local area. For that purpose, in its assistance for local industry development, JICA effectively utilizes the special characteristics and resources of the local area to benefit the residents.

JICA's cooperation in the development of local industries comprises 1) creating organizations and systems to support local companies and cooperatives; 2) developing business skills to enable local companies and cooperatives conduct general business activities, such as product development, quality improvement, marketing and others; and 3) building a system of cooperation by the public and private sectors for promoting local economies. The industries targeted for assistance include processed products or handicrafts that use local agricultural products and other local resources. Tourism that incorporates local nature and culture, historical or scenic sites, and other tourism resources is also a targeted industry.

For instance, to provide assistance to small local companies and cooperatives in Kenya and Malawi, JICA is creating a system where the ministry or local government administrator in charge can directly or indirectly through support institutions supply the technology and financing they require. In

combination with this project, JICA is assisting with providing the basic business knowledge (accounting and others) needed to utilize local resources to make salable products. Other areas of assistance include resource exploration, improving quality and productivity and strengthening marketing, sales and other skills. In addition to Kenya and Malawi, JICA is carrying out these measures in many other countries, including Ethiopia and Mozambique.

JICA's cooperation in the tourism field in Palestine and Tunisia lies in providing assistance for coordinated efforts and collaboration by the public and private sectors. JICA cooperates with investigating the special characteristics of tourists or local resources and developing tourism products that benefit the region and with using effective advertising or promotions for targeted tourists. JICA also provides assistance for strengthening administrative capacity for utilizing the environment, including nature, culture and ways of life, in a sustainable manner. The assistance is provided taking into consideration sustainable methods of preserving, exhibiting, and using tourism resources.

In providing cooperation, JICA also utilizes Japan's knowledge about developing human resources for the industry sector, working to implement economic development and promote local industry in a way suited to each country.

Energy and Mining

● Supporting 3L (Low-Cost, Low-Carbon, Low-Risk) Energy Use in Developing Countries

A stable supply of energy is necessary to satisfy basic human needs and for industrialization. With wide application throughout society, it is indispensable for economic activity—economic growth and energy consumption growth have a strong positive correlation. Securing a stable supply of low-cost energy is an extremely important issue for developing countries

in achieving a stable society and economy and sustainable growth.

In developing countries with substantial natural resource reserves, energy and mining development can produce results in a relatively short time frame compared with development of other industries. Mining development also has a tremendous impact on society and the economy through infrastructure and regional development. For Japan and other countries that import mineral resources, it also is extremely important to ensure a stable and sustainable supply of mineral resources from diverse sources by encouraging mining development in many countries.

● Overview of Issue

1. Energy

(1) Dealing with the unavoidable growth in use of fossil fuels

According to World Energy Outlook (WEO) 2012 produced by the International Energy Agency (IEA), during the period from 2010 to 2035, energy consumption by developing countries will expand substantially. From the perspective of climate change measures, going forward the main issues will be pursuing the greatest possible introduction of renewable energy, such as geothermal energy, and increasing the combustion efficiency and reducing the carbon emissions of oil and gas, which account for a large share of the world's energy sources.

(2) Ensuring stability and sustainable growth in rural areas

Increasing electrification rates is an important issue in developing countries wanting to achieve sustainable growth and an equitable society. In 2009, the electrification rates were low in rural areas in non-OECD countries. It is necessary to improve the situation in these areas by introducing off-grid power sources and extending transmission and distribution networks.

Case Study Energy and Mining Cooperation for Geothermal Development

Technical Cooperation for Geothermal Development Commences

There are high expectations for geothermal power generation as a renewable source of energy that can provide a low-carbon, low-cost and stable supply of electricity. Utilizing Japan's leading technology, JICA has commenced Technical Cooperation for geothermal development in Kenya, Africa.

The African Great Rift Valley is a plentiful source of geothermal resources. It is a promising area for the construction of geothermal power stations especially in the northeastern part of the Great Rift Valley. Geothermal power generation has been highlighted globally as a renewable source of energy that can provide a low-carbon, low-cost and stable supply of electricity. However, the low success rate of test drilling has proved a bottleneck to development.

In the past, JICA provided assistance for the construction of geothermal power stations in Olkaria, Kenya through ODA Loans. However, to step up geothermal development in Kenya, starting in 2013 JICA has begun Technical Cooperation aimed at expanding the capacity

of the state-owned Geothermal Development Company utilizing Japan's leading technology. Since Kenya has sites already being developed, JICA is proceeding with assistance that will lead to technology improvements in the chain of development steps from exploration to drilling and evaluation. Assistance is being provided by dispatching experts to the sites in Kenya, holding training programs in Japan, and other activities.

Through this cooperation, JICA also expects to expand the business opportunities for Japanese companies to sell their power generation plant and equipment or participate in independent power producer (IPP) or other power generation business schemes. This

will also assist with the development of young Japanese geothermal development-related technicians.



Geothermal steam production testing in Menengai, Kenya

(3) Meeting the need for advanced technology and large amounts of capital

Improving electric power supply takes huge investments. The IEA estimates that non-OECD countries will invest \$10,081 billion in the electric power sector in the period up to 2035. It will be important to invest not only in electric power generation, but also in distribution facilities in future. Meeting these substantial capital needs not only will require public funds, but also facilitating the use of private sector capital.

As can be seen, technology, know how and large amounts of capital are needed to resolve the energy problems of developing countries. However, developing countries lack these resources as well as policy planning skills and the human resources to implement those policies. Although developing countries also need to convert to low-carbon energy, the technology to do so is advanced and expensive. For these reasons, the cooperation of developed countries is indispensable in terms of technology, capital, and acquired experience and know how.

2. Mining

(1) Mining environment in recent years and issues for developing countries

In recent years, global demand for mineral resources has risen along with the economic growth of China and other emerging countries. Amid intensifying competition to secure natural resources and oligopolization of markets by majors, the price of natural resources has continued to increase. In reaction, there are many countries with large reserves of natural resources that have a strong desire to developing their mining industry. Getting from the mineral resource discovery state to the production stage requires large amounts of capital and advanced technology. However, most developing countries are lacking in these resources, making it necessary to invite foreign companies into the market.

However, the governments of developing countries have little knowledge about mining development or managing corporate activities, presenting such issues as the lack of legal systems and frameworks, basic geological information systems and infrastructure. Moreover, there are many issues to be resolved in order to promote the entrance of foreign companies into the market. They include political and social risk, security and war risk and heightened so-called “resource nationalism” that places various regulations on mineral exports and mining operations.

(2) Outline of JICA’s cooperation in the mining field

Keeping in mind both extending assistance to developing countries for the previously mentioned mining development issues and Japan’s need to secure natural resources, JICA provides cooperation that builds a Win-Win relationship with developing countries. Led by Japan’s Ministry of Economy, Trade and Industry (METI), Japan’s government-related institutions have formed a coordinated and structured collaborative system (a one-stop organization for securing overseas mining resources) working with JICA, and Japan Oil, Gas and Metals National Corporation (JOGMEC) and other

organizations. Within that system, JICA implements Technical Cooperation and human resource development that especially targets governments of developing countries.

● JICA Activities

1. Energy

(1) Promoting the adoption of low-carbon electric power sources

Through Loan Assistance and Technical Cooperation, JICA is promoting the adoption of high-efficiency thermal electric power generation in Indonesia and other developing countries. In accordance with the primary energy reserves in the country receiving the cooperation, JICA provides assistance for the adoption of low-carbon and stable power sources, such as hydro and geothermal power. JICA is also supporting the adoption of solar power and small-scale hydro power plants through Grant Aid and Technical Cooperation. Since it can especially utilize Japan’s technology in geothermal power generation, JICA’s policy is to provide cooperation that promotes low-carbon power source development in African and other countries.

(2) Pursuing efficient utilization of energy

JICA has been involved for some time in promoting the efficient utilization of energy (energy conservation) from the demand side in Viet Nam and other countries. Assistance is also being provided for improving electric power distribution systems in developing countries where those systems have high loss rates and other inefficiencies. Here, JICA provides financial cooperation for strengthening distribution systems or Technical Cooperation for strengthening maintenance and management capacity.

(3) Myanmar: Assistance for Power Generation and Distribution in the Electric Power Sector

In Myanmar, which has been moving steadily toward democratization since 2012, there is a need to address the huge amounts of assistance required to improve the electric power generation system, a key infrastructure for Myanmar expected economic growth in future. Collaborating with the World Bank, Asian Development Bank (ADB) and similar donor institutions, JICA will provide both technology and funding toward this goal. Specifically, assistance will be provided to repair and upgrade dilapidated power distribution systems, to formulate industry plans for the entire electric power sector and reinforce distribution systems and to improve access to electrical supply in rural areas.

2. Mining

As a field of cooperation where short-term result can be expected, JICA endeavors to provide assistance with establishing developing countries’ systems and peripheral infrastructure where soliciting private sector investment is necessary in both software and hardware aspects. Moreover, in the medium- to long-term, JICA provides assistance in strengthening the administrative capacity of the government and developing human resources. Through its network of

personal contacts in Japan, JICA also seeks to build mutually beneficial relationships for both countries.

Specifically, the following are JICA's four priority areas in the mining field.

(1) Development of regional peripheral infrastructure

JICA provides assistance for the development of peripheral infrastructure essential to mining development, such as roads, railways, harbors, electric power, and water supply and for development of peripheral utilities.

(2) Establishing mining development strategies and legal systems

Assistance involves government planning and formulating policies for legal systems, policies, implementation systems, and basic information compilation necessary for mining development and appropriate mineral resource management.

(3) Managing mineral resources

JICA aims to strengthen governments' administrative skills in soliciting private sector investment and implementing sustainable mining development and resource management. Specifically, JICA provides assistance related to supplying basic information necessary for resource exploration and establishing management systems.

(4) Mining preservation administration and environmental measures

JICA's assistance targets mining preservation and environmental administration.

Governance

● Legal and Judicial Frameworks

Since 1996, JICA has been providing assistance for establishing and improving the legal framework for a market economy to developing countries or assistance in restoring legal and judicial frameworks and human resource development in post-conflict countries.

Among new measures initiated in 2012, JICA began implementing measures in Myanmar to drive democratization and economic reform. Started in response to the decision in April 2012 to expand the areas of economic cooperation with Myanmar, the measures are intended as part of the package to improve human resource capabilities and establish systems. In more concrete terms, in August 2012, JICA co-hosted a seminar on company law in the capital of Myanmar, Naypyidaw, with the Office of the Myanmar Federal Attorney General. Also, in December 2012, JICA hosted a seminar on the privatization of state-owned enterprises—an urgent issue for the Myanmar government—and invited 22 young public administrators to Japan to receive training in establishing legal systems. Based on the results of the seminars and other events, JICA plans to commence full-scale Technical Cooperation projects in fiscal 2013.

Moreover, in January 2013, JICA carried out its first South-South Cooperation in the field of establishing legal systems. Five counterparty country members of JICA's Project for Human Resource Development in the Legal Sector in Laos visited Viet Nam, which has a similar legal system and is receiving

assistance to establish legal systems from JICA. The project members from Laos learned from the experiences of Viet Nam by observing related institutions and exchanging opinions with their counterparty members of JICA's Technical Assistance for the Legal and Judicial System Reform (Phase II) project in Viet Nam, which is a little ahead of Laos in establishing a market economy.

In Cambodia, following the introduction of a new civil code at the end of 2011, JICA began a new cooperation program to encourage adoption of the civil code and civil procedure code. The program is mainly for the staff of the Ministry of Justice, lawyers and lecturers at the Royal University of Law and Economics. In Mongolia, JICA had previously implemented the Project for Strengthening Mediation System, which, among other activities, provided assistance for conducting trial mediation in a pilot court. After Mongolia enacted a mediation law in May 2012 and a court-based mediation system was adopted nationwide, JICA decided to launch the Project for Strengthening Mediation System (2nd Stage) in April 2013 and commenced preparations. For Nepal, JICA initiated training programs in Japan for managing court cases and began making preparations for a project to strengthen the capacity of the court system in Nepal.

● Democratic Systems

JICA extends assistance for a range of measures to strengthen the foundations for democratic rule in developing countries. The assistance covers such measures as improving the capacity of election management committees in order to ensure fair elections, strengthening the functions of parliament, and reinforcing the capacity of the media, which functions as a monitor of the use of power and influence.

In 2012, JICA conducted local seminars for Egypt's electoral commission and the state-run broadcasting station in preparation for the country's first presidential elections since the revolution. JICA also held seminars on different issues in Japan targeting multiple countries—including Yemen, Palestine and Kenya—having issues with managing fair elections and the operation of parliaments. In South Sudan, JICA provided assistance for converting the state-run broadcasting station into a public broadcast station and began Technical Cooperation with systems to supply citizens with accurate, fair and neutral information.

● Public Safety

In the field of public safety, JICA extends assistance to countries working to establish police forces that serve the people, such as training programs and improvement of fingerprinting, forensics and other scientific investigation techniques. Specifically, JICA's support efforts include providing assistance for metropolitan and regional police activities in Indonesia, Timor-Leste, Brazil and Honduras and improving the ability to respond to crimes in the Philippines. To reinforce public safety in post-conflict countries like Afghanistan, JICA provides assistance such as training of police officers.

Targeting multiple countries, JICA also conducts training programs in Japan on major crime issues. The programs cover

such themes as international terrorist countermeasures, international investigations, and policing drug crimes.

● Public Financial Management

Up till now, JICA has built a strong cooperation record with developing countries, consisting mainly of ensuring the financial soundness of institutions responsible for tax and customs administration and the implementing of ODA Loans. However, in fiscal 2012, JICA formed strategies for each issue related to public financial management and produced and publicly announced position papers on the issues. Based on that process, JICA decided to step up its efforts regarding the issues and to proceed in the direction of strengthening its consideration of public financial management at each stage of the plan-do-check-act (PDCA) cycle of JICA projects.

Achieving stable and sustainable financial operation requires comprehensive budget discipline, strategic allocation of resources and effective and efficient service delivery. However, these cannot be attained naturally, they require an institutional structure to that end. That necessary structure, which could be termed the system infrastructure, is public financial management (PFM).

PFM includes, among others, budget planning and revision, revenue planning, treasury management, accounting and procurement, internal control and oversight, financial reporting and external audits. In addition, PFM entails necessary aspects

of fulfilling financial accountability and transparency at the national and regional levels.

JICA believes there are two important components to addressing PFM in developing countries. First, since it is a development issue, PFM must be applied as strategically as possible. Second, PFM must be positioned as an important system infrastructure for smoothly implementing JICA's projects and for improving the effectiveness of development steadily pursued at each stage of the project PDCA cycle. However, PFM represents major reform that can impact the entire public sector of the recipient country as well as being an important development issue linked to various areas from the country's development planning to management of the public sector. Therefore, in planning assistance for PFM, JICA must consider not only the state of socioeconomic development in the country, but also thoroughly understand the political and economic background while looking at the PFM reform measures from a medium- to long-term perspective. At the same time, short-term output should not be the goal—the projects should be approached on a medium- to long-term basis and take into account that PFM is an issue that involves the system policy of a country. Therefore assistance for PFM should not be made only by JICA but should also consider cooperation with various donors.

Case Study

Legal and Judicial Frameworks Assistance for Amending Viet Nam's Constitution

Vietnamese Judicial Survey Mission Visits Japan

In recent years, there have been major changes in both the society and economy of Viet Nam in conjunction with conversion to a market economy and because of the country's progressive integration with the international community and development of a free economy. In accordance with those changes, the government is pursuing reform of the legislative, administrative and judicial systems.

Since 1996, JICA has proactively extended assistance to Viet Nam for the reform of its legal and judiciary systems. From 2009, assistance has also been provided for increasing the capacity of the National Assembly. Viet Nam is currently working on amendments to its fundamental law, the constitution, with a completion goal set for the end of 2013. Against the backdrop of its great trust in Japan's assistance in the legal and judicial field provided over many years, the Vietnamese government request assistance from JICA regarding the amendment of the country's constitution.

In response, JICA invited a judicial survey mission from the Vietnamese Government to visit Japan from July 1 to July 7, 2012. The mission consisted of 23 members: Deputy Prime Minister and mission leader Nguen Xuan Phuc, Chief Justice of the People's Supreme Court Truong Hoa Bih, Minister of Justice Ha Hung Cuong; and senior members of the Committee for Drafting Amendments to the 1992 Constitution (a total of 12 Central Committee members and ministers and deputy

ministers)

The survey mission visited Japan's Diet, Supreme Court, related public administration institutions and universities to meet and discuss issues with related people and those with academic experience in the field. The vigorous discussions covered the nature of the constitution as Viet Nam's supreme law (judicial review and constitution amendment procedure), protecting individual rights, strengthening judicial rights (separation of powers and strengthening the authority of courts), regional governments, sovereignty concept (significance of rights of citizens), and other topics.

Even after the survey mission returned home, JICA continued its assistance, holding local seminars in Viet Nam or training programs in Japan. Through these and other measures, JICA offered Japan's knowledge and experience with major issues with the amendment of Viet Nam's constitution to members of the Committee for Drafting Amendments to the 1992 Constitution and others involved with the process.

In January 2013, the proposed amendments to the constitution were announced and opened to public comment from Vietnamese citizens. Discussions based on those comments are ongoing.

JICA will continue to provide assistance for the reform of legislative, administrative and judicial systems through cooperation with the revision of laws in accordance with the amendments in the constitution and strengthening the capacity of the governing system.



Vietnamese judicial survey mission

Public-Private Partnerships

New Partnerships that Support Economic Growth

It is difficult to meet the capital demands for social and infrastructure development in developing countries with their government budgets and ODA support from other countries alone. Private sector funding now accounts for a large proportion of the funds entering developing countries from developed countries. The activities of the private sector have been expanding in developing countries and are focused on new fields, including public-private partnership (PPP) infrastructure projects, base of the pyramid (BOP) businesses, and CSR activities. These efforts have contributed to creating employment opportunities, human resources development, and improving technologies. In addition, the outstanding technologies and business ideas of Japanese companies, especially small and medium-sized enterprises (SMEs), are making a big contribution to solving socio-economic problems in developing countries. There are hopes for even more efficient and effective development support through further collaboration between the activities of JICA and the private sector. The use of wide-ranging support schemes has already produced results that led to concrete projects.

Private Sector Investment Finance: Economic and Social Development Support in Developing Countries through Partnerships with the Private Sector

Of the Loan Aid provided by JICA, Private Sector Investment Finance (PSIF) is a scheme supporting development projects by Japanese private enterprises. Through the provision of loans and equity, PSIF supports businesses with positive impacts on socio-economic development in developing countries, such as PPP infrastructure projects, BOP businesses, and business expansions of SMEs abroad.

Furthermore, by introducing technologies and knowhow of

private companies and coordinating with local governments, JICA makes efforts to reduce various risks associated with projects and further increase development outcomes through coordination with other schemes, such as Technical Cooperation.

In fiscal 2012, a Loan Agreement was signed for the Utility Management for Industrial Parks and Water Supply Project and this marked the first loan agreement signed since the start of the full operation of PSIF [\[see the Case Study\]](#).

Preparatory Survey for PPP Infrastructure Projects: Public-Private Partnerships to Address Infrastructure Projects in Developing Countries

There is a growing trend in developing countries toward incorporating the expertise of the private sector into infrastructure projects that have traditionally been carried out as public projects. Based on a proper demarcation of roles and risks between the public and private sectors, public-private partnerships are implemented in order to engender greater benefits and efficiency in these projects. JICA supports the formulation of PPP infrastructure projects by providing assistance to perform preparatory surveys.

In PPP infrastructure projects, it is important to perform surveys as a collaborative effort between the public and private sectors from the initial planning stage while complying with the requests of the various related parties, including relevant public authorities and sponsors. Taking this into consideration, JICA is conducting the Preparatory Survey for PPP Infrastructure projects, a scheme for formulating project plans based on proposals from the private sector. Proposals for PPP infrastructure projects are widely solicited from Japanese private corporations. JICA supports the formulation of these

Case Study Private Sector Investment Finance

Signing of First Infrastructure Project Contract Since the Resumption of the Scheme

On January 30, 2013, JICA signed a loan agreement with the Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank), one of the largest commercial banks in Vietnam, for the Utility Management for Industrial Parks and Water Supply Project. This is the first infrastructure project to use PSIF since it was resumed in October 2012.

The project site is located in Long An Province and it is a Japanese-Vietnamese joint venture of three companies to provide wastewater treatment and water supply facilities for two environmentally friendly industrial parks. JICA is providing support for this project in the form of funds required to cover the costs of setting up the facilities, and is channelling the funds through VietinBank. It is common in Vietnam for wastewater from industrial plants to cause pollution. Furthermore, the rise in demand for water for industrial use has resulted in a serious problem with underground water sources drying up. This project addresses these issues at industrial plants by providing water supply facilities and dealing with wastewater.

The project continues to receive support by PSIF and accommodates Japanese technology and experience from Kobelco Eco-Solutions Co., Ltd., in cooperation with local companies. JICA strongly expects that this project will be a successful business model for contributing to sustainable development in Vietnam which is undergoing industrialization, and will serve as a model case for PPP projects going forward. It is also expected to lead to the development of PPP projects in the field of infrastructure. There are high expectations for these two industrial parks in Long An Province concerning investments by Japanese companies, including SMEs, and JICA is planning to provide Technical Assistance to support these initiatives.

Kobe City is also considering participation in the operation and management of the project in the future. The city hopes that this first initiative in Japan in which a local Japanese government participating in a water infrastructure project with ties to private companies will create a path for infrastructure exports in the form of Japanese PPP packages.

Seminars on investment in Long An Province have been held in Tokyo and Kobe along with the signing of a project-financing contract. JICA has also made presentations on the challenges of PPPs and introduced the province's development plans and candidate industrial parks in zones that are attractive for investments to Japanese investors.

projects by entrusting the private sector that submitted excellent proposals with conducting the necessary surveys.

During fiscal 2012, eight proposals were selected. Moreover, of the 21 surveys completed, the Utility Management for Industrial Parks and Water Supply Project in Vietnam's Long An Province became the first project under PSIF scheme to result from this survey system.

Preparatory Surveys for BOP Business Promotion: A New Approach for Supporting Developing Countries that Uses Corporate Business Principles

BOP business is attracting attention as a new approach to resolve issues in developing countries through business initiatives.

JICA has started a scheme called Preparatory Survey for BOP Business Promotion, in which JICA adopts proposals for BOP business from private companies and entrusts the organization that submitted the best proposal to conduct surveys for creating business plans, including market research and coordination with JICA.

In fiscal 2012, two public announcements for proposals were made and 31 projects were selected in total. The first cases to be realized for commercialization by using this survey system are: a project in Rwanda that involves sales of organic fertilizers and deodorant and excrement decomposition agents for toilets that use yeast fungus and other materials collected on site; and a project in Bangladesh that provides instruction and knowhow in the cultivation of high-quality beans for use in growing beansprouts that are subsequently sold in Japan.

Small and Medium-Sized Enterprise Partnership Promotion Survey (F/S Assistance)

To strengthen its partnership with Japanese small and medium-sized companies (SMEs) whose business activities have the potential to contribute to solving development problems in developing countries, JICA has introduced the Small and Medium-Sized Enterprise Partnership Promotion Survey (F/S Assistance) on a trial basis. The aim is to assist companies that wish to formulate new projects overseas and directly expand their business in developing countries. JICA

entrusts surveys to these companies for conducting research on issues such as a local market study and project planning. A public announcement was made to solicit proposals and 11 proposals were selected.

Assisting Japanese SMEs' Business Development Overseas Using ODA: Needs Survey, Project Formulation Survey and Feasibility Study and Pilot Project for Disseminating SME's Technologies to Developing Countries

In order to implement the Japanese government's policies for promoting Japanese SMEs' business expansion overseas, JICA started to assist the SMEs in conducting their surveys in developing countries under a contract with the Ministry of Foreign Affairs. JICA's three new assistance schemes are called Needs Survey, Project Formulation Survey, and Feasibility Study and Pilot Project for Disseminating SME's Technologies to Developing Countries.

Through these schemes, Japanese SMEs gather business information, expand human networks, and introduce their products and technologies to the central governments in the developing countries so that new ODA projects using their products can be conducted. The aim is to enhance the services of local governments by utilizing Japanese SMEs' high-quality products and technologies. As a result, these activities are expected to contribute to an increase in the Japanese SMEs' local market share or even create new markets in developing countries. In fiscal 2012, eight needs surveys, 32 project formulation surveys, and 20 feasibility studies and pilot projects were carried out.

In addition to these schemes, JICA plans to implement a new assistance scheme, Pilot Survey for Disseminating SME's Technologies, in fiscal 2013. The plan is to support the implementation of 20 demonstration projects proposed by SMEs.

Other Partnerships

JICA has started a Private-sector Coordination Volunteer system that sends employees of private companies to address the needs of companies that are seeking to secure human resources with a global vision and accomplishments.

Case Study Supporting SMEs' Overseas Business Development

Use SME's Unique Products and Technologies for Better Development

Even though many Japanese SMEs have high-quality products and technologies, it is not necessarily easy for them to succeed in international market due to capital and/or human resource constraints. JICA is providing full-support for Japanese SMEs to use their products and technologies for social and economic development in developing countries.

Aiming at using SMEs' technologies for development, JICA is assisting Japanese SMEs' overseas business development by collaborating with MOFA, METI, the Small and Medium Enterprise Agency, the Japan External Trade Organization, the Organization for Small and Medium Enterprises and Regional Innovation, and other related organizations.

In fiscal 2012, more than 50 surveys were carried out in Asia, Africa and Oceania by Japanese SMEs under MOFA's scheme with JICA's assistance. In Malaysia, an innovative concrete crack measurement system,

KUMONOS, developed by a Japanese SME was introduced to plan a new ODA project to realize efficient safety inspections and maintenances of bridges and other building infrastructure. In Cambodia, an SME's rice polishing technique for local long grain rice was introduced to reduce polishing loss and to produce refined white rice. This SME is now carrying out a Pilot Survey for disseminating SME's Technologies. JICA will continue to assist Japanese SMEs'

business expansion and contribute to better development in developing countries.



KUMONOS is being used to remotely measure cracks and fissures in a bridge. (Kansai Construction Survey Co., Ltd.)



A small rice polishing machine (Taiwa Seiki Corporation)

Volunteer Programs

— “Work to Change the World, and Yourself” International Cooperation Led by Citizens

JICA's volunteer programs support activities by citizens who wish to cooperate in the economic and social development as well as the reconstruction of developing countries. The volunteer programs are widely recognized as representative programs of Japan's international cooperation and are highly praised by partner countries. Furthermore, upon their return to Japan, the volunteers, having developed a global perspective, are expected to be a valuable presence in Japanese society.

Japan Overseas Cooperation Volunteers (JOCVs)

In principle, JOCVs are assigned to developing countries for a period of two years. As summarized by the phrase “together

with the local community,” JOCVs live and work together with the communities in the country to which they were sent, speak the same language of the community and carry out activities with an emphasis on raising self-reliant efforts while fostering mutual understanding.

Recruitment campaigns target people between the ages of 20 and 39, with the areas of cooperation spanning nine sectors and a diverse range of about 200 sub-sectors, including planning and administration, commerce and tourism, public and non-profitable utilities, human resources, agriculture, forestry and fisheries, health and medical care, industrial production, social welfare, and energy. In fiscal 2012, a total of 948 people

Case Study Partnerships with Universities in Volunteer Program

Supporting Small-scale Dairy Farmers in Paraguay in Cooperation with Obihiro University of Agriculture and Veterinary Medicine

JICA and Obihiro University of Agriculture and Veterinary Medicine signed an Obihiro - JICA Volunteer Team Partnership Program Memorandum of Understanding in August 2011, which embarked upon the challenge of providing a six-year program of support from fiscal 2012 involving dispatching students and graduates from the university as JOCV to Paraguay to improve the quality of dairy farming technology and strengthen community development. The partnership with the university in this volunteer program is an attempt that should be beneficial both to JICA, in order to fulfill its aim of continuing to despatch human resources equipped with the specialist skills to be able to make a contribution to the development of developing nations, and to the university concerning its efforts to nurture and train global human resources. Partnerships like this between universities and JICA are under way at many universities in addition to Obihiro University of Agriculture and Veterinary Medicine, including Hiroshima University, Tokyo University, and Takushoku University.

The partnership program between Obihiro University of Agriculture and Veterinary Medicine and the JICA Volunteer Team Program has its basis in a cooperative partnership between the university and JICA domestic offices stretching back over many years. Moreover, the program started with the dispatch of a group of volunteers for strengthening small dairy farmers in the department of Itapua in response to a request from related bodies in Paraguay for self-reliance support for small-scale dairy farmers.

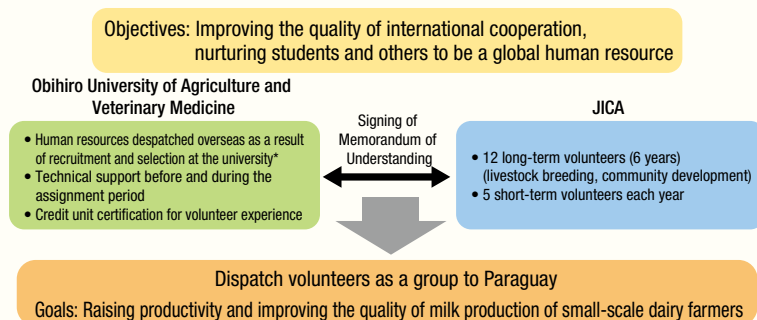
This project aims to raise productivity and improve the quality of the milk production of small-scale dairy farmers. The plan is to despatch 12 long-term team members and 30 short-term team members on assignment over the course of the six-year term of the

program. The long-term team members will be responsible for inspecting local bases, making visits and providing guidance to individual farmers, and strengthening the nurturing of agricultural cooperation, etc. The short-term team members are to supplement the activities of the long-term team members by traveling to the three cities involved in the project to gather and analyze data, and carry out monitoring and other activities.

Moreover, the university is backing up the members of the team with the support of the whole university and is proactively striving (through the introduction of a system of credit unit certification and other measures) to create an environment that makes it easy for students to participate in volunteer teams. This is done

by fostering a supportive academic background by the addition of Spanish as a second foreign language and establishing a Support Committee within the university to supply technical support to team members.

By providing support on an organization-wide basis for students with the skills and drive required to participate, JICA creates a forum for activity that not only makes it possible for the partnership to be of a very high quality thanks to the effectiveness of the coordination involved, but also to ensure that global human resources are nurtured through these volunteer activities. Furthermore, there are great expectations for the contributions that returned volunteers from the program are likely to make to Japanese society after their return.



*JICA assesses the suitability of candidates to be volunteers through its normal selection procedure.



Short-term team volunteer collecting data about the nutritional status of livestock (Paraguay/livestock breeding). Local residents and long-term volunteers share their results to compile reports and submit them to individual farms.

were sent overseas, with a cumulative total of 37,899 people dispatched to 88 countries since the program was inaugurated in 1965.

Senior Volunteers

Recruitment targets people between the ages of 40 and 69. In recent years, there has been an increase in applications from retirees seeking to spend their “second life” in a more meaningful way.

Areas of cooperation span nine different sectors including agriculture, forestry and fisheries, energy, health and medical care, and human resources (education, culture, sports, etc.). In fiscal 2012, 264 people were sent overseas. To date, a total of 5,138 people have been dispatched to 71 countries. Volunteers for Japanese Communities Overseas and Senior Volunteers for Japanese Communities Overseas, too, are dispatched to contribute to the development of Nikkei communities in Latin America, and short-term volunteers are dispatched for periods of less than one year.



JOCV (Youth Activities) in action at a school for the deaf in the Dominican Republic. Day in and day out they are kept busy with the challenge of coming up with solutions to provide support to deaf children and students.

Support for Returned Volunteers

There are high expectations for returned volunteers as human resources who welcome diverse cultures and societies, who are open to dialogue, and who take action in a variety of settings, including community, government, educational and corporate activities in Japan. Based on information that was confirmed as of April 1, 2013, the number of local government authorities and boards of education that have special employment quotas for returned volunteers has increased to 54.

Hence, JICA has support systems in place to allow volunteers to make use of their experiences in their assigned countries upon their return to Japanese society. Moreover, many returned volunteers take initiatives to address various issues faced by Japanese society, including the implementation of child-rearing support and the revitalization of Japanese communities. JICA will be publicizing its volunteer programs as programs which not only contribute to the development of developing countries but as programs that also serve to “energize Japan.”



Senior Volunteer attached to the Plant Pathology Division, Nepal Agriculture Research Council (mushroom cultivation). They are engaged in technical research into the cultivation of shiitake mushrooms with the aim of assisting local farmers and mushroom producers.

Case Study Volunteer Project in Sports

International Baseball Federation (IBAF) Honors JICA Volunteers with Special Award in Recognition of Their Meritorious Achievements

In recognition of the extraordinary contribution JICA has made in helping promote baseball and softball on global basis over the years, the IBAF presented a Special Award to the JICA at its Congress in Tokyo on April 14, 2013. Since 1970, JICA has dispatched a total of 278 volunteers in baseball and softball to some 36 countries world worldwide. As of March 31 2013, there were 13 volunteers on active duty in these two sports.

After receiving the plaque, JICA Vice President Tsuneo Kurokawa reported on recent achievements. “11 years ago, our cooperation in Sri Lanka started with only two baseballs and one bat. In 2009, they won their first international championship medal. In 2012, their first ever baseball stadium was built in collaboration with Japan, starting a new chapter for Sri Lanka baseball. Five years ago in Burkina Faso, a young boy had never touched a baseball in his life. This summer, he will be joining one of Japan’s amateur baseball team as a trainee.” He went on to express his gratitude to all the people that have supported the program by saying, “these successes are the result not just of the efforts of JICA volunteers but of coaches and players from countries all around the world,

and of the enormous support we have received from the IBAF. I pledge that JICA will maintain its commitment to making continued efforts for the betterment of the world through the promotion of sports such as baseball and softball.”

In presenting the award on this occasion, Ishola Williams (Nigeria), IBAF Continental Vice President representing Africa, praised the activities of JICA volunteers in Africa. “JICA volunteers have contributed greatly to baseball and softball in all the countries of Africa. Without them, it is impossible to imagine how baseball and softball could ever have developed in many African countries. Thanks to their activities, the people of Africa call the young people of Japan ‘friends of Africa’ and they feel extraordinary affection for them.”

This prize brings even greater luster to the sparkling achievements of JICA volunteers in supporting global baseball and softball over for so many years. JICA hopes that the “catch ball between heart and heart” will continue to spread ever wider in the years to come through the efforts of JICA volunteers.



With the captain in the center, JOCV as a coach and the team talk about the aim of achieving unity of purpose – it’s not just the baseball skill that counts but cherishing growth in the spirit through baseball. (Burkina Faso)

Citizen Participatory Cooperation

— Making International Cooperation Part of the Japanese Culture

Citizen participation in international cooperation takes a variety of forms, including participation in activities of NGOs and other civic groups as well as JICA's volunteer programs and ODA projects, such as Technical Cooperation. JICA refers to activities based on the initiative of civic groups or the volunteer spirit of individuals as Citizen's Participatory Cooperation activities. These activities promote the understanding of international cooperation and support a variety of initiatives of stakeholders.

International cooperation by citizens is significant for several reasons. It diversifies approaches for responding to critical issues in developing countries. It also makes more people in Japan aware of the circumstances of developing countries, more familiar with ODA, and more engaged in international cooperation activities.

The Citizen Participatory Cooperation framework also revitalizes Japanese communities, advances internationalization and, moreover, may make international cooperation “a part of Japanese culture.”

A distinct feature of Citizen Participatory Cooperation activities may be their emphasis on the will and initiatives of highly motivated individuals and groups as well as the opportunity for all people to participate. Please see page 106 for more information about Volunteer Programs and Partnerships with NGOs and other grass-roots organizations [page 110] regarding the JICA Partnership Program and support programs for NGOs.

Using Japan's Domestic Offices as International Hubs

JICA has 14 offices in Japan that undertake activities focused on promoting the understanding of international cooperation and providing people with opportunities for participation in various related programs throughout Japan. Additionally, JICA's international cooperation promotion officers at International Association offices at local government entities act as liaisons linking JICA with local communities. The officers hold events or seminars and also are available for consultation regarding the series of international cooperation programs.

At the JICA Global Plaza in Ichigaya, Tokyo and the Nagoya Global Plaza in Nagoya City, Aichi Prefecture, people with abundant experience on international cooperation and global issues serve as “Global Concierges” and lead visitors to exhibitions that encourage “seeing,” “listening” “touching” and “thinking.” Through these exhibitions, visitors can virtually experience various conditions in developing countries and become aware of global-scale issues faced by people in those regions of the world. Both Global Plazas feature on-site cafés that sell fair trade commodities and allow visitors to enjoy international cuisines. More than 900,000 people have already visited the JICA Global Plaza and the number of visitors to the Nagoya Global Plaza now exceeds 280,000. Both locations have become venues at which a wide range of visitors, from children to students and adults, enjoy learning about global issues. In addition, plazas have spaces for holding seminars and meetings about citizen-led international cooperation activities as well as presentations on the outcomes of such activities.



Nagoya Global Plaza

Efforts to Promote Understanding about International Cooperation —Programs for Supporting Development Educations

JICA supports development education programs at educational forums in partnership with NGOs and schools. The aim is to deepen the understanding of issues in developing countries and enhance knowledge of international cooperation activities, including civic activities.

The ‘International Cooperation Lecture’ (held approximately 2,000 times per year) mainly deploys lecturers in elementary and junior high school teaching. There is also an ‘Essay Contest on International Cooperation for Junior and Senior High School



International Cooperation Lecture by an ex-JOCV volunteer

Students’ essay-writing competition (more than 70,000 applicants per year in total) for essays on themes related to international cooperation. Opportunities are also provided for teachers who have an interest in developmental education to participate in the ‘Study Tour Program for Teachers.’ On these tours, teachers can observe the actual conditions in developing countries and then put their experiences into practice in their teaching strategies once they have returned to Japan. Moreover, teachers engage in ‘Training for Development Education Leaders’ to learn about developmental education methodologies and practical examples and create educational materials.

These Citizen Participatory Cooperation activities are implemented in cooperation with NGOs, local government entities, etc., that focus on linkages with communities. JICA is strengthening its activities so that Japanese citizens will come to regard international cooperation as familiar and accessible activities, as well as an outstanding characteristic of Japanese culture.

Study Tour Program for Teachers

JICA Tohoku sent eight teachers from junior and senior high schools in five prefectures of the Tohoku region to Aceh

province in Indonesia. In Aceh province, more than 200,000 people lost their lives in the earthquake and tsunami that struck the island of Sumatra in December 2004. In this region, progress with the pace of recovery has been clearly visible during eight years since disaster happened.

During their stay, the participants observed the current situation of the area affected by the disaster. They also had opportunities to talk with people who were involved with the recovery efforts and with educators and students who were engaged in education for disaster prevention at schools in the region. Participants learned about the situation at the time from reference archives and by listening to the accounts of those affected by the disaster. They were fortunate to receive the opportunity to observe the daily lives of the people today, now that they have gotten over the past to some extent, and also to see the everyday routines of the children. The participants invariably received extremely warm welcomes everywhere they visited. There were also kind words of encouragement from local people for the members of participants' families suffering from the disasters in Japan. The full schedule of their visit was completed safely and successfully.

Back in their classrooms, the participants were able to pass on to their students impressions captured in the photographs and items of native costume they brought back with them. Participants also communicated the feelings and strengths that they had experienced first hand in the region. The participants devised various methods to ensure that the lessons they taught back home in Tohoku helped their students acquire a perspective on life overseas as well as on directing their thoughts towards reflecting on the communities in which they live.

In the training undertaken following their return to Japan, the participants exchanged their views on ideas for devising teaching strategies among themselves in a free and open forum format. They also enjoyed the cooperation of other teachers who had participated in the training on previous occasions and engaged in building networks with other teachers. The intention is that this can function as a forum for people involved with education in Tohoku to coordinate activities with each other.



Study Tour Program for Teachers in Indonesia

JICA Essay Contest on International Cooperation for Junior and Senior High School Students

JICA implements an essay contest on international cooperation targeting junior high and senior high school students in Japan. The aims of the contest are to deepen students' understanding of the situation in developing countries and the need for international cooperation; to examine what Japan should do as a member of the international community; and to examine what each and every individual should do for sustainable development.

The following is an excerpt of the two winning essays from the 2012 contest for junior high school students:

"People often talk about 'international cooperation.' I think that the real root for international cooperation is 'knowing each

other well.' I have been to Brazil and I know how good Brazil is. Also, having learned about the world, my old friends stopped discriminating. Since March 2011, many countries have come to know about how good Japan is through TV news reports about the Great East Japan earthquake and offered helping hands. Everything starts from 'knowing'."

"People cannot live alone. Countries cannot live alone either and cannot function or grow properly without the support of other countries. The people of the world are the same wherever they live. There are just differences in cultures. Now, I want to create warm and welcoming doorways in the walls of culture."



Winners of 2012 Essay Contest on International Cooperation for Junior and Senior High School Students (Category of Senior High School Students)

Junior Global Concierge Program for College Students

At JICA Global Plaza, the Junior Global Concierge Program for College Students is offered for Japanese university students who are interested in international cooperation, have overseas experience or take some action for global issues, etc., during their spring and summer holidays.

JICA Global Plaza features a Global Experience Zone, where displays facilitate citizens' understanding of global issues and international cooperation. The plaza is staffed with Global Concierges who can provide clear explanations of the exhibitions to visitors.

The Junior Global Concierge Program for College Students is a hands-on program for Japanese university students to examine their involvement in international cooperation. Participants work as supporting staff for Global Concierges, take part in exchanges with international cooperation practitioners such as JICA staff, and assist in the planning and implementation of workshops on global issues and international cooperation.



The Junior Global Concierge Program for College Students gives students the opportunity to learn more about global issues and international cooperation.

Partnerships with NGOs and Other Organizations

— Collaboration with Diverse Actors of International Cooperation

As development issues have become more complicated, there is a greater need for Japanese overseas cooperation to mobilize people, knowledge, and expertise, based on the concept of human security, in order to cope with diverse themes such as the MDGs.

Reflecting this drive to engage more with key actors of development, collaboration with non-governmental organizations (NGOs), universities, and local governments has become important for implementing effective ODA in areas such as education, health, and environment improvement, community development, peacebuilding, and reconstruction. JICA has been strengthening its engagement with these actors of civil society in a variety of forms, namely through dialogues, partnerships, and support programs.

JICA Partnership Program (JPP) Joint Implementation of Overseas Development Projects

JICA implements JPP projects jointly with Japanese organizations that are ardent about implementing international cooperation projects, including NGOs, universities, local government entities and public-interest corporations. JPP is based on proposals from these experienced organizations,

which helps benefit the local people in developing countries. JPP projects are unique as they directly contribute to improving the lifestyles and livelihoods of the people by carrying out detailed activities at the grassroots level. In fiscal 2012, JICA implemented 206 JPP projects in 45 countries. JPP projects consist of three schemes: Partner type, in which organizations with a certain level of experience in developing countries utilize their experience and skills; Support type, in which projects are carried out by organizations with less experience in developing



Lecture given by a midwife at a classroom for mothers in Sudan
(Partner type project implemented by Rocinantes: Reduction of Maternal and Infant Mortality Rate in Sherif Hasaballa Zone)

Case Study

Local Government Type Project Miyako-jima's Water Supply Model Project in Samoa (Miyakojima City)

The island nation of Samoa, which is located in the South Pacific, faces many issues in terms of maintaining a stable water supply including the impact on water purification of water sources becoming very muddy in the rainy season and a chronic shortage of water caused by high rates of leakage.

Miyakojima was formerly referred to as a 'waterless island' and had to suffer terrible hardships in securing water in the past. Nowadays, however, it has built up knowhow in water purification treatment using Ecological Purification System (slow sand filtration) and original watershed management countermeasures that are both low cost and simple to operate with the result that safe and delicious drinking water can now be supplied to the population of the whole island. In this project, this fund of experience and knowhow has now been transferred to Samoa in the form of the Miyakojima Model with the aim of contributing to the construction by the Samoa Water Authority of an independent/self-reliant water utility administration system.

City Official

Project Manager Kenji Kajiwara

The project had also great significance for us as residents of Miyakojima. The history of the Miyakojima water supply stretches back only some 50 years or so but the situation

prevailing at the beginning of the water supply on the island strongly resembles the current situation in Samoa. Without enough funds or materials, the experience, skills and ingenuity of the personnel engaged on the project is absolutely crucial. Experienced, skilled personnel and younger staff members from Miyakojima City worked together to give training in leakage prevention technology in Samoa and the process was also a good opportunity for us to pass on technologies and our experiences of the establishment of the water supply on Miyakojima.

The cooperation of Dr. Nobutada Nakamoto of Shinshu University has been obtained for the transmission of water purification treatment using Ecological Purification System – which is the core issue of the project – and for repeatedly supplying guidance to ensure that Samoa's water purification plants operate normally.

In running the project, it was confirmed that it was possible to increase the purifying power of the ecological purification process because of the high rate of bioactivity experienced as a result of the plentiful sunlight and high temperatures common to both Samoa and Miyakojima. These results were fed back to Miyakojima and so, in turn, made it possible to improve the operating system at the Miyakojima water purification plants.

This was significant not just for Miyakojima since the project also was highly valued by the Samoan side for the results it produced in

improving the operation and maintenance of their water purification plants and in reducing the volume of water leakage. I think that the result was to multiply the exchanges between the two sides and that this was more a question of understanding not just the position in which the Samoan side found itself but also their social history, culture and customs, than merely of determining whether or not the content of the training provided by the Japanese side was correct or not. I would like to thank Ex-Japan Overseas Cooperation Volunteer Mr. Susumu Kinjo (currently belongs to Nago City Hall) who was active in the Samoan water service/supply operation more than 20 years ago, and Mr. James of Samoa who participated in the first year of JICA's Training and Dialogue Program for kindly providing the top quality lubrication for the human and cultural exchanges. This has been a project that has re-emphasized yet again the importance of human resources.



Detecting the sounds of leakage with a meter

countries; and Local government type, in which local government entities play a central role and utilize their know-how accumulated in their localities.

NGO-JICA Japan Desk Supporting Activities of Japanese NGOs

JICA has “NGO-JICA Japan Desks” in 21 countries to support the activities of Japanese NGOs operating in developing countries. These desks offer consultation and information on various aspects, for example, on local laws, local systems, the social situation and the state of local NGO activities, which are also helpful for NGOs in implementing JPP projects.

Support for Capacity Building Strengthening Human Resources and Organization for Better International Cooperation

To support international cooperation activities by NGOs and citizen groups, JICA provides a variety of support programs. These include Project Cycle Management (PCM) method training*¹; training for organizational strengthening through human resource development*²; and dispatching of advisors with special expertise*³. In fiscal 2012, the following trainings are implemented.

*1 Project management basic seminar utilizing PCM method for persons in charge of international cooperation; 308 participants

*2 Training for organizational strengthening through human resource development for NGOs; 15 participants

*3 Dispatch of advisors for NGO organizational strengthening; 13 organizations: for strengthening of NGO overseas projects; 4 organizations and 2 countries (group training)

NGO-JICA Dialogue Meeting Promoting Equal Partnerships

JICA emphasizes the importance of dialogue between NGOs for ensuring deeper mutual understanding and promoting excellent collaboration. Through its headquarters, overseas offices and domestic offices, JICA exchanges opinions and information with NGOs on regional and sectoral issues. Also, JICA holds a quarterly dialogue meeting with NGOs, where both sides discuss the effective cooperation and promotion of equal partnerships.

JICA Donation Fund for the People of the World International Cooperation through Donations

The JICA Donation Fund for the People of the World encourages citizens, corporations and groups to participate in international cooperation. The donations are used to support Japanese civil society groups’ activities aiming to alleviate poverty, improve healthcare, education, and environment of developing countries. In fiscal 2012, the fund supported seven projects.

Case Study

Partner Type Project Negros Silk Industry Support Project (OISCA International)

As a result of the dramatic collapse in the price of sugar in the 1980s, the Negros Islands, which had formerly relied so heavily on the sugar industry, was referred to for a while as the Island of Starvation. From 1989 onwards, OISCA International started to sponsor both technical guidance in and the diffusion of sericulture technologies among the farming communities living in the mountain regions that faced particularly difficult living conditions with the aim of securing an income for them to live on. Silk production started in 2006 and subsequently a fully integrated production system was established taking in every stage of the manufacturing process from silkworm-egg card through to the production of woven textiles. Interest in and hopes for the future of silkworm culture grew year by year and, particularly in the mountain regions in the country, the number of subsistence farmers hoping to participate in sericulture increased. To meet this need, the JICA Partnership Program (partner type) was



Weaving has become a source of employment for local women.

inaugurated in October 2011 with the aim of further expanding this improvement in the lives of the subsistence farmers of the Negros Islands. Along with increasing production of good quality cocoons, the aim is to reinforce the diffusion structure by improving the quality of silkworm breeds and through sericulture associations. Moreover, the aim is also to ensure that the silk industry becomes the local industry of the Negros islands in the future as a result of initiatives to introduce processing technology for twisting yarn from raw silk thread and by expanding markets for finished silk products.

NGO Staff

Project Manager Shigemi Watanabe

Before the production of silk began, natural woodlands were being cut down and burnt to make charcoal in the villages in the mountain regions (the project site), and the people were making a living by gathering wild orchids. But now that silk production is underway, they are planting mulberry trees, and raising silkworms so that good quality cocoons are produced with the result that their income is now 1.5 to 2 times greater than it was before. Because the standard of living for the people of the villages has been raised, their children are now able to attend school, and the silk industry has brought smiling faces back to the inhabitants of these villages. Moreover, an integrated structure is now in place extending from

cocoon to silk thread, and has been welcomed as also providing a place offering employment opportunities for local women too. On the other hand, many issues such as the training of diffusion personnel still remain as the expansion in the number of silkworm farmers continues to increase, but we shall do our best to deal with each one of these challenges as they arise.

Local Staff

Negros Occidental Head of Agricultural Diffusion Lucille Gelvolea

As you know, although the production of sugar is the key industry in the Negros Islands, we are aware of the vulnerability inherent in relying on a single crop, and the need to introduce and foster a new industry has long been an issue. Fortunately, thanks to the support received from JICA and OISCA International, we are now seeing a gradual expansion in the production of silk cocoons and because this new silkworm sector has now brought forth the growth of a new industry in the form of the production of finished silk, we in the state government have high hopes for the project. Moreover, since the mulberry orchards are contributing to the greening of the mountain regions, the Environment Agency is also evaluating the process of afforestation at the single village level highly and plans to take in the cultivation of mulberry trees.

Support for Japanese Emigrants and Their Descendants

— Focusing on Human Resource Development and Elderly Welfare

Evolving Issues and Challenges Weighing on *Nikkei* Communities and Japanese Emigrants

There are currently more than 2.9 million Japanese emigrants and their descendants (*Nikkei*) living around the world, with the majority living in North, Central and South America and the Caribbean. Japanese emigrants and *Nikkei* communities make important contributions in many fields in each country, including politics, business, education and culture. Their presence plays a key role as an intermediary between Japan and the countries where *Nikkei* reside.

JICA has assisted Japanese emigrants who have settled in Central, South America, and the Caribbean in line with the Japanese emigration policy since the early 1950's.

The characteristics of Japanese emigrants have changed along with the maturing and the generational transition of *Nikkei* communities. The first generation of emigrants is aging and many *Nikkei* communities are encountering a situation where the working age population is leaving the community, thus increasing social and economic vulnerability. Such communities also face issues involving the loss of their *Nikkei* identity, which originates from a shared heritage, history and upbringing. The *Nikkei* communities in Japan that consist of migrant workers

from the *Nikkei* settlements of Latin American and the Caribbean also face educational issues such as truancy among *Nikkei* children due to a lack of Japanese language proficiency.

Main JICA Programs and Activities for Japanese Emigrants and *Nikkei*

To support the Japanese emigrants and *Nikkei* confronting these issues, JICA undertakes the following activities and programs.

1. Knowledge Dissemination

The Japanese Overseas Migration Museum, which opened in Yokohama in 2002, aims to provide information about the history of Japanese emigration to the public in general, especially for the younger generations who are prospective leaders of Japan and their respective countries. It also provides opportunities to become acquainted or re-engaged with the emigrants and *Nikkei*. The museum consists of permanent exhibits and special exhibitions featuring the overseas migration history and the present situation of *Nikkei* communities. The museum also provides information on its website.

2. Support for Emigrants Abroad

1) Medical Care and Hygiene

Case Study

Strengthening Partnerships with Japanese Emigrants and Their Descendants in Latin America and the Caribbean

Strengthening Public-Private Partnerships with *Nikkei* Communities in Latin America through the First Partnership Promotion Survey in Latin America

The Planning and Migration Affairs Division of the Latin America and Caribbean Department conducted the Partnership Promotion Survey in *Nikkei* Communities (First Partnership Promotion Survey in Latin America) in Brazil and Paraguay from February 25 to March 9, 2013.

This survey aimed to promote the formation of projects that strengthen partnerships between Japanese private companies and private companies managed by *Nikkei* which will contribute to the development of economies and societies in Latin America.

To encourage applications to the Survey, JICA Okinawa and JICA Yokohama (both organizations with historical affiliation to *Nikkei*) hosted the Seminar on Private Sector Partnership Promotion in Latin America, in close cooperation with Japan External Trade Organization (JETRO).

Many local companies participated in the Seminars and showed a strong interest in Latin America, particularly Brazil which is experiencing economic growth as one of the four BRIC major emerging national economies. A total of 13 companies and organizations participated in the survey from a total of

approximately 60 applicants from Japan.

The survey included study visits to local Japanese companies, discussions and visits with *Nikkei* representatives and local companies, as well as discussions with government agencies. In Brazil, Japan-Brazil Chamber of Commerce and Industry of Parana State (Câmara do Comércio e Indústria Brasil Japão do Paraná) hosted meetings to exchange opinions with local companies. The group of entrepreneurs, Seiwajuku School do Brasil, and the Chamber of Commerce and Japanese Industry in Brazil, Câmara de Comércio e Indústria Japonesa do Brasil, shared information on economic conditions in the region and provided the keys for success in dealing with corporate management. In Paraguay, *Nikkei* agricultural cooperatives and representatives of companies in the settlements of Iguazu, along with the Chamber of Commerce and Japanese Industry in Paraguay (Câmara de Comercio e Indústria Japonesa del Paraguay) sponsored a social gathering to provide explanations of the advantages of Paraguay which provide a production base for Brazilian markets. Several of the companies participating in the survey

agreed with the opinion that *Nikkei* societies would be a strong candidate as business partners.

As a result, many of the participating companies became acquainted with Latin America and deepened their understanding of the region. Some of the participating companies have already applied for Public-Private Partnership Cooperation with JICA. Moreover, several participants began business negotiations with the *Nikkei* representatives they met during the survey.



Participants of the survey listening to an explanation by Consultant/Adviser, Mr. Hirasaki (right) at Brazilian *Nikkei* company Sansuy

JICA assists in the management of five *Nikkei* clinics at settlements in Paraguay, Bolivia and Brazil. JICA also supports traveling clinics for settlements in Brazil. Furthermore, JICA assists programs involving health insurance, nursing care, medical examinations and day care services with a high demand for elderly welfare and medical services in countries such as the Dominican Republic, Brazil and Bolivia.

2) Education and Culture

To enhance Japanese-language heritage education among *Nikkei* communities, JICA assists joint training sessions for local *Nikkei* Japanese-language teachers, as well as third-country training for local Japanese-language teachers and research on Japanese-language heritage education which are conducted by the Brasil Japanese Center in Sao Paulo, Brazil.

3) Upgrading Facilities and Equipment

In fiscal 2012, JICA provided funds for a basic study concerning regional development programs in *Nikkei* settlements of Paraguay.

3. Educational Initiatives for the Children of Emigrants

1) Education Program for Next Generation *Nikkei* (previously called Educational Programs for Students of Japanese-Language Schools)

JICA organizes the one-month program targeting *Nikkei* children aged 12 to 15 attending Japanese-language classes run by local *Nikkei* organizations and provides a firsthand opportunity to gain a deeper understanding of Japanese culture, society, and their heritage. This program includes an educational experience in a public junior high school and a home-stay in Japan. A total of 49 students from North, Central and South America and the Caribbean participated in this program in fiscal 2012.

2) Scholarship for Japanese Immigrants and Their Descendants in Latin America (Program for Developing Leaders in *Nikkei* Communities)

JICA offers a scholarship covering the living expenses and tuition to support *Nikkei* students attending graduate schools in Japan. In fiscal 2012, eight new students benefited from this program.

4. Support for *Nikkei* Communities and Local Communities

JICA dispatches Youth Volunteers and Senior Volunteers to *Nikkei* communities in Central, and South America and the Caribbean (*Nikkei* Volunteers) to assist with Japanese-language education, healthcare and welfare services. As a new assistance initiative in fiscal 2008, JICA established the Special Program for School Teachers for *Nikkei* communities, where public school teachers from Japan are assigned to government-accredited schools in Brazil. In fiscal 2012, four teachers participated in a long-term (21 months) volunteer program. Upon returning to Japan, these ex-volunteer teachers are expected to utilize their experience to assist with the education of *Nikkei* children residing in Japan.

In addition, JICA coordinates *Nikkei* Training Programs for participants from Latin America and the Caribbean countries. Universities, local government and other organizations in Japan submit proposals to JICA for training programs for *Nikkei*. The programs aim to promote *Nikkei*'s contribution to nation-building in the respective countries. In fiscal 2012, JICA accepted 119 *Nikkei* training participants under this program.

5. Business Loans

The JICA loan program for emigrants and *Nikkei* organizations concluded in fiscal 2005. At present, JICA administers only the repayment of these loans.

Case Study

Dissemination of the History and Achievements of Japanese Emigrants

10th Anniversary of the Japanese Overseas Migration Museum

A symposium held in November 2012 to commemorate the 10th anniversary of the opening of the Japanese Overseas Migration Museum. Co-hosted with the Association of *Nikkei* and Japanese Abroad of Japan, the event attracted approximately 130 participants of the 54th Convention of *Nikkei* and Japanese Abroad, researchers, and representatives of mass media. The symposium provided the very first occasion for representatives of *Nikkei* museums around the world to present and discuss the importance of disseminating the history and knowledge of Japanese migration. Although the population composition of the *Nikkei* communities vary in each country, participants pledged to use coordination and collaboration among the museums, along with other measures to pass on the history of emigration to future generations. Participants also emphasized that the Japanese Overseas Migration Museum plays an essential role in the execution of the coordination among *Nikkei* museums and libraries.

JICA established the Japanese Overseas

Migration Museum in 2002 in an effort to promote greater understanding of the history and achievements of Japanese overseas migration. Dr. Tadao Umesao, an anthropologist who was the founder and the former director-general of the National Museum of Ethnology in Osaka, directed and supervised the exhibit "Dedicated to Those Japanese Who have Taken Part in Molding New Civilizations in the Americas," which showed the daily lives of the emigrants.

The Japanese Overseas Migration Museum has welcomed their Imperial Highnesses the Emperor and Empress of Japan. The number of visitors reached 300,000 with an increase in students attending classes on social science and participants of school trips. Many learn for the first time about the *Nikkei* and the terrible experiences *Nikkei* suffered during World War II. There is an increasing importance and an obligation to define and transmit the history of Japanese migration by substantiating

the network among museums in the coming decade.

Moreover, the Japanese government recognized the Japanese Overseas Migration Museum as an institution holding historical records and materials on April 1, 2013. The recognition confirmed that the collected documents and materials possess significant scholarly and historical value.

JICA is determined to prove that Japanese Overseas Migration Museum will continue to be the keystone for dissemination and utilization of the history of Japanese migration.



Panel discussion at the 10th Anniversary Symposium

Securing and Training Human Resources

Training the Personnel Needed for Future International Cooperation Programs and Securing the Necessary Human Resources

There is a growing need at international cooperation sites for professionals capable of responding accurately to increasingly complex and diverse aid needs. In order to respond promptly to these needs, JICA has been undertaking a variety of programs for training and securing human resources that are needed.

Overview of Programs in Fiscal 2012

Title	No. of participants (as of March 2013)
Comprehensive Career Information for International Cooperation Programs on Website	
PARTNER	
Human Resources Training	
1. Associate Expert Program	5 new participants, 38 ongoing participants
2. Customized Training for Experts Development	18 trainees
3. Internship Program (open recruitment-type)	28 participants
4. Other training programs	
1) Pre-Dispatch Training for JICA Experts	Implemented 12 times/year, 298 trainees
2) Capacity Enhancement Training	Totally implemented 12 times, 255 trainees
3) Security Management Training in Collaboration with UNHCR	Totally implemented 3 courses (4 times), 98 trainees
4) Other	Pre-Dispatch Training for JICA staff, National Staff Training, etc.
Securing Human Resources	
1. JICA Senior Advisors	81 persons
2. Special Advisors	21 persons

Cultivating Human Resources for the Future

1. Associate Expert Program – Aiming to Be JICA Experts

With the aim of mid- and long-term training for human resources, particularly in the fields where there is a shortage of personnel for international cooperation programs, JICA revised its Associate Expert Program in fiscal 2012. The new program is provided for individuals who have certain levels of expertise based on some professional experience and wish to work as JICA Experts in the future to learn overall activities for international cooperation mainly through on-site training at JICA HDQ.



Associate Experts visit a school site of a JICA project for improvement of education in Senegal.

2. Customized Training Program for Experts – Responding to New Development Agendas

This program provides opportunities for individuals to participate in short-term training courses at overseas universities and/or international organizations, etc., with the aim of enhancing their capacities to respond to the complex new development agendas of developing countries. Among the programs undertaken in fiscal 2012 are trainings on microfinance, countermeasures against climate change, etc.

3. Internship Program – JICA Experts etc., Expanding the Range of Future International Cooperation Personnel

This program provides graduate students who engage in research and aspire to a career in international cooperation fields with one to four months of practical training at either a JICA domestic institution or JICA overseas offices. In fiscal 2012, this program was again open to young physicians as in fiscal 2011.



Graduate students under the internship program accompanying trainees from overseas

Cultivating Mission-Ready Personnel

1. Pre-Dispatch Training for Experts – Orientation and Upgrading Skills Immediately Before Departure

JICA provides experts with training programs, prior to their assignment, through which they can obtain a variety of information and know-how on subjects such as JICA cooperation policy, project content, current trends in aid, effective means of technology transfer, and other items.

2. Capacity Enhancement Training – Short-term Intensive Training for Enabling Experts to Work Efficiently Immediately upon Their Assignment

JICA provides training programs for individuals who already possess skills or expertise in certain specialty fields as well as language proficiency and are expected to be assigned as an expert to a developing country in the near future. Under this program, trainees are given opportunities to acquire knowledge on current aid trends and practical skills. In fiscal 2012, a seminar on public finance management was implemented on a trial basis based on the recent needs in development assistance.

3. Security Management Training – Security Management Training in Collaboration with UNHCR

JICA implements training programs in security management, in collaboration with the Office of the United Nations High Commissioner for Refugees (UNHCR), Regional Centre for Emergency Preparedness (eCentre), where JICA Staff, UNHCR field officers, government officials and NGOs/NPOs in the Asia-Pacific region discuss project operations in high-risk security environments, including during the response and recovery phases of humanitarian emergencies. This training is provided to individuals who are engaged in the fields of peace-building and reconstruction assistance as well as to those responsible for security management.



The representative of UNHCR Japan Office gives a keynote address at a seminar.

Securing Human Resources

JICA makes efforts to secure people such as JICA Senior Advisors or Special Advisors who have ample practical experience in developing countries and can immediately play an active role

in on-site development assistance. JICA Senior Advisors, in particular, fully utilize advanced knowledge in their respective specialized fields, thereby contributing to the improvement of the quality of JICA's programs.

Aiming to improve the quantity, diversity and quality of international cooperation activities The Comprehensive International Cooperation Career Information Website "PARTNER"

What is PARTNER?

PARTNER is a comprehensive career website planned and operated by JICA Human Resources Information Center for International Cooperation. PARTNER provides an abundance of useful recruitment information to people aiming to engage in a wide range of support activities overseas. PARTNER includes information from JICA as well as international agencies, government agencies, NPO/NGOs, development consulting firms, and Japanese companies aiming to expand their business overseas. Nearly 9,000 people have registered on the PARTNER website and are awaiting contacts from project sites in developing countries. Large numbers of organizations and companies have been approaching those registrants on PARTNER and have recruited them as competent or next-generation leaders. A marketplace where people who want to become active in overseas projects and the organizations/companies that want to recruit these individuals can come together – this is what PARTNER is.



The Steady Growth of PARTNER

In fiscal 2012, this website posted 3,356 job listings and information on 1,377 training sessions and seminars. Top page visitors during the fiscal year totaled 804,438. As of March 31, 2012, 8,902 individuals had registered and over 740 organizations and companies were registered with PARTNER. In addition, career guidance by counselors is available for registrants. In fiscal 2012, 113 mail-based consultations and 214 face-to-face consultations were performed.

JICA also holds International Cooperation Human Resources Seminars for registrants with PARTNER who want to enhance their careers at JICA, international agencies, NGOs, development consultants, private companies aiming to expand business overseas and other organizations. In fiscal 2012, three seminars were held in Tokyo, Kobe and Fukuoka with the participation of a total of 530 people. Feedback from participants has been very positive: One participant said "this was a valuable opportunity because seminars like this almost never take place outside the Tokyo area," and another said "the speakers were outstanding and gave me a lot of information about various types of organizations."

Support for Companies that Have Advanced into Overseas Markets in Securing Human Resources

Many developing countries, headed by emerging countries, are still striving to achieve dynamic economic development. Many of these countries are making progress with the

creation of infrastructure using joint public and private sector partnerships. As this process of infrastructure building continues, and the environment for investment from overseas becomes more orderly, capital investment by the manufacturing sector is gathering momentum through the use of cheap labour resources. Furthermore, consumption demand is buoyant due to expansion of the middle class that accompanies this economic development. Japanese companies possessing advanced technologies are also proactively expanding their exports in overseas markets in response to the growth of new economies in developing countries. This in turn means that such private-sector companies have strong demand for personnel that can operate in developing countries. In June 2012, PARTNER established an organizational system featuring easy-to-use registration with the aim of providing the sort of support that is needed for the overseas development plans of small and medium-sized private sector companies. Simply by making it easy for them to register, private sector companies are able to view the profiles of registrants and contact them on an individual basis. JICA expects that this new service will be used and exploited by as many companies as possible in cooperation with chambers of commerce and industry, tax accountant offices and other organizations that support small and medium-sized companies.

Promoting Even More Use of PARTNER

A Facebook page for PARTNER (<https://www.facebook.com/jicapartner>) was created in January 2013 to boost the appeal of the

site to young people aspiring to participate in overseas activities. By providing a network for disseminating up-to-date information about various seminars and the daily activities of Human Resources Information Center for International Cooperation, this page has generated a huge response. Moreover, JICA has distributed leaflets on PARTNER with the cooperation of Public Employment Security Offices in Tokyo and job banks in major cities across Japan, aiming to further promote the services of PARTNER to more individuals, organizations and companies.

Marking the 10th Anniversary of PARTNER

The year 2013 will mark the 10th anniversary of PARTNER in October. Both Japan and developing countries have experienced significant changes over the past 10 years. PARTNER has engaged accordingly in matching for the supply of human resources for international cooperation activities with demand. But from now on we are determined to strengthen and improve programs continually with the aim of enhancing the quantity, diversity and quality of services. For the 10th anniversary, an "on-web-site application service" has been added to the PARTNER website. Moreover, Skype is available for long distance career guidance. PARTNER thus will continue to evolve more and more into the future.

Emergency Disaster Relief

— Providing Timely Support to Disaster Victims

From Emergency Disaster Relief to Seamless Cooperation

JICA is responsible for executing Japan's disaster relief operations in response to requests from government of affected countries or international organization following large-scale disasters. The emergency disaster relief consists of sending Rescue Teams, Medical Teams and Experts Teams and providing relief goods. JICA dispatches Japan Disaster Relief (JDR) teams under the direction of the Foreign Minister to disaster-affected areas, and sends relief goods in these areas.

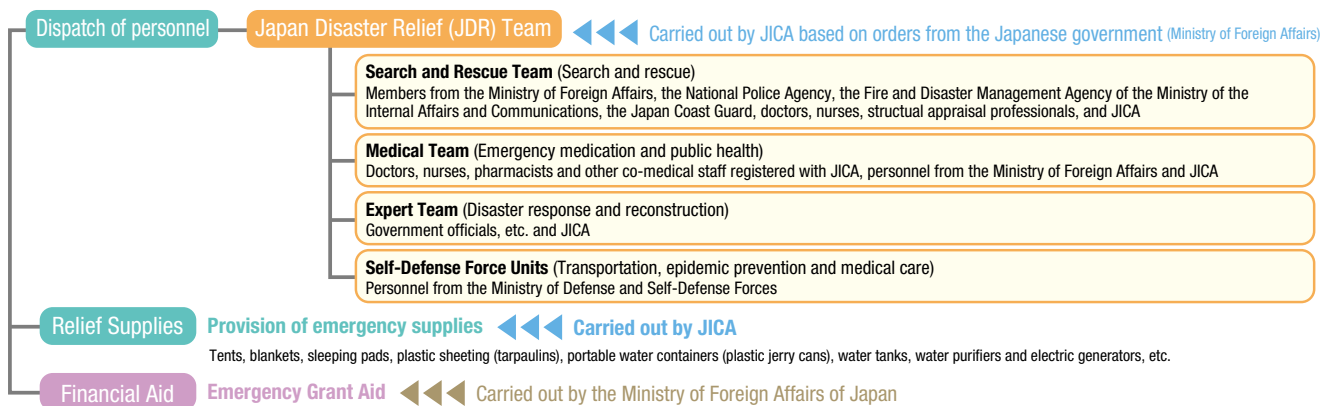
The experience of the Great East Japan Earthquake highlighted the importance of incorporating disaster risk management mainstreaming in development agendas [see page 88]. JICA covers humanitarian aid in the form of both emergency relief and development aid to support the development of countries. JICA therefore continues its efforts to realize disaster prevention and disaster minimization by achieving seamless cooperation for providing emergency response services by assisting in recovery and reconstruction.

Operations and Challenges of the Japan Disaster Relief Secretariat

When the Japanese government decides to dispatch a JDR Team, the Secretariat of JDR arranges flights for the team and organizes the cargo. In addition to organizing the team members, the secretariat sends office personnel for logistics support and provides various other types of support in order to ensure smooth operations in the field.

To enable the team to fully utilize its capabilities in disaster-stricken locations, it is essential to maintain readiness in normal times by undertaking various types of training and exercises. Members of the rescue team, who come from different agencies all over Japan following an emergency, undertake comprehensive exercises and other training so they can carry out activities in overseas environments. The medical team members are supposed to receive preparatory training for registration of the team over the course of three days and two nights for acquiring the knowledge and skills necessary as qualified members. These individuals then receive brush-up training aimed at enhancing their knowledge and skills for overseas disaster medical care.

Japan's International Disaster Relief



Case Study Activities of the Japan Medical Team for Disaster Relief

International Emergency Relief Group Medical Team Celebrates its 30th Anniversary

An anniversary seminar was held to look back over the history of the Japan Medical Team for Disaster Relief (JMTDR), the predecessor of the JDR Medical Team, since it was first established 30 years ago, and also to discuss the current and future issues.

The JMTDR was established in 1982 by using lessons from the Cambodian refugee relief of 1979. By registering medical workers in normal times, the team was able to be assembled promptly and to go overseas quickly when disasters strike. Then JDR Medical Team was set up in 1987 to take over JMTDR's roles. At present, more than 1,000 doctors, nurses, pharmacists, and logisticians, etc. are voluntarily registered.

The team was first dispatched to provide medical services to the affected people of the drought in Ethiopia in 1984. Subsequently, the team provided assistance for Iraqi refugees in 1991, victims of the tsunami of the affected countries around the Indian Ocean in 2004, victims of the Pakistan earthquake of 2005, people affected by the 2010 earthquake in Haiti, and many others. To date, a total of 60 teams comprising approximately 900 members have

been dispatched.

The team has now grown into an international-level medical team by revising its composition, introducing more advanced equipment, establishing operating guidelines, etc. The team will continuously improve its capabilities for providing a higher level of medical services such as sanitation and infection control measures to address the needs of people in need of aid.

The JDR Secretariat itself also undertakes simulation training with the aim of mastering prompt dispatch procedures when a disaster occurs.

It is said that you cannot do better than what you have learned from training when responding to actual disasters. By diligently practicing and training on a daily basis, JDR ensures the quality and speed of the team's deployment in an emergency.

Furthermore, the rescue team aims to gain certification of as a 'Heavy Team' by INSARAG (International Search and Rescue

Advisory Group) by taking IER (INSARAG External Re-classifications) in 2015, therefore this team is working even harder to reinforce its rescue and search capabilities.

The medical team also aims to reinforce its ability to provide additional emergency medical services. This includes facilities and equipment for surgery, medical wards and dialysis in addition to existing services. Procurement of necessary equipment and drafting operating manuals are under way.



Rescue team: A rescue dog and a handler conducting search activities (earthquake in New Zealand in 2011)



Medical team: A nurse caring for a child (earthquake in Haiti in 2010)



Provision of relief goods: Hand-over of relief goods (flood in Nigeria in 2012)

Provision of Disaster Relief Supplies in Fiscal 2012 (April 2012 – March 2013, 17 cases)

No	Disaster occurrence date	Country/Region	Type of disaster	Type of relief	Value of material aid	Supplies provided
1	April 2012	Fiji	Flooding	Provision of supplies	Approx. ¥18 million	Portable water containers, water tanks, water purifiers, generators
2	May 2012	Comoros	Flooding	Provision of supplies	Approx. ¥10 million	Sleeping pads, plastic sheets, portable water containers, generators
3	August 2012	Iran	Earthquake	Provision of supplies	Approx. ¥18 million	Portable toilets & showers
4	September 2012	Niger	Flooding	Provision of supplies	Approx. ¥20 million	Blankets, plastic sheets, portable water containers
5	November 2012	Cuba	Hurricane	Provision of supplies	Approx. ¥31 million	Blankets, sleeping pads
6	November 2012	Pakistan	Flooding	Provision of supplies	Approx. ¥35 million	Tents, blankets, plastic sheets
7	November 2012	Nigeria	Flooding	Provision of supplies	Approx. ¥52 million	Tents, blankets, water purifiers
8	November 2012	Guatemala	Earthquake	Provision of supplies	Approx. ¥12 million	Blankets, water tanks, water purifiers, generators
9	November 2012	Myanmar	Earthquake	Provision of supplies	Approx. ¥10 million	Blankets, sleeping pads, plastic sheets, generators
10	December 2012	Philippines	Typhoon	Provision of supplies	Approx. ¥45 million	Tents, sleeping pads, plastic sheets, portable water containers
11	December 2012	Palau	Typhoon	Provision of supplies	Approx. ¥5 million	Blankets, plastic sheets, portable water containers, generators
12	December 2012	Samoa	Cyclone	Provision of supplies	Approx. ¥10 million	Tents, portable water containers
13	December 2012	Fiji	Cyclone	Provision of supplies	Approx. ¥12 million	Tents, sleeping pads, plastic sheets, portable water containers, generators
14	January 2013	Sri Lanka	Flooding	Provision of supplies	Approx. ¥23 million	Tents, sleeping pads, plastic sheets
15	January 2013	Jordan	Flooding	Provision of supplies	Approx. ¥13 million	Tents, blankets
16	January 2013	Mozambique	Flooding	Provision of supplies	Approx. ¥21 million	Tents, plastic sheets, water purifiers, water purification liquids, mosquito nets, soaps
17	February 2013	Solomon Islands	Earthquake, tsunami	Provision of supplies	Approx. ¥10 million	Blankets, portable water containers, water purification tablets

Case Study Comprehensive Training for Rescue Teams

Undertaking Various Types of Training to Meet the Needs of Disaster Stricken Nations

The JDR Rescue Team, with the cooperation from Hyogo Prefecture, undertook a hands-on, comprehensive exercise (including continuous 48-hour rescue activity) at the Hyogo Prefectural Emergency Management and Training Center (Miki City, Hyogo Prefecture) between November 27 and December 1.

A 69-person strong JDR rescue team annually undertakes various types of training to enhance its ability for search and rescue operations.

The JDR Rescue Team was first dispatched for rescue activities following the 1990 Iran earthquake, and has been sent to various locations worldwide on 17 occasions to date. Its advanced rescue skills and dedicated activities have been highly valued in disaster zones.

In March 2010, the JDR Rescue Team was certified as a 'Heavy Team' for international Urban Search and Rescue (USAR) activities by the UN Office for the Coordination of Humanitarian

Affairs (UN OCHA)-sponsored INSARAG External Classification (IEC). As a Heavy Team, the JDR Rescue Team is required to have the capabilities of continuously performing 24-hour search and rescue activities for periods of ten days in two separate locations simultaneously, and to establish and operate provisional Onsite Operations Coordination Centres (OSSOC) in the disaster affected country. The team must also gather information and data about the disaster for use by other USAR teams. Through simulation-style comprehensive exercises, the team can verify the members' expertise and skills necessary for search and rescue activities

overseas and foster a real sense of mutual understanding and solid teamwork among the members.



Comprehensive exercise continues around the clock as - Rescue team members break through concrete to reach victim.

Research

The JICA Research Institute Provides Feedback on Development Work and Input into the World's Development Agendas



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

The JICA Research Institute (JICA-RI) carries out research activities with two main objectives while utilizing the wealth of experience and know-how it has accumulated as a development assistance organization. The first objective is: conducting analysis of development issues in developing countries and contributing to JICA's operation strategies. The second is strengthening the transmission of information to Japan and abroad and leading the development assistance agenda.

The results of this research are published in the form of working papers, policy briefs and books and are released broadly through websites and other means.

Basic Policy for Research Activities and Priority Research Domains

The international community has been grappling with the problems facing developing countries—including poverty, armed conflict and environmental degradation—but solutions to many of the most basic problems remain elusive. To promote value-added research aimed at producing policy recommendations, JICA-RI has established the following four basic policies and four key research areas.

● Basic Policies

1. Incorporating a Comprehensive Perspective

JICA-RI will incorporate a comprehensive perspective in its cross-field research and analysis of development issues, encompassing individuals, society, the state and the market.

2. Integrating Past and Future

JICA-RI will conduct studies based on the past experiences and analytic results of development aid organizations worldwide, including JICA, and make these studies available for use in future aid activities.

3. Sharing Experiences in Japan and East Asia

JICA-RI will analyze the growth experiences of Japan and its East Asian neighbors and explore the applicability of these experiences to other regions.

4. Sharing Information with the International Development Community

JICA-RI aims to be a research institute that is open to both Japanese and international partners, including researchers, aid-implementing organizations, governmental bodies, private-sector corporations and NGOs.

● Key Research Domains

1. Peace and Development

JICA-RI conducts comparative analysis of past experiences

to uncover ways to effectively prevent and manage armed conflict, and promote post-conflict peacebuilding.

2. Growth and Poverty Reduction

Japan and its East Asian neighbors are considered economic development success stories, having realized growth and reduced poverty. JICA-RI studies these cases from the multifaceted perspectives of individuals, state, market and society, and conducts comparative analysis with economic development in African countries.

3. Environment and Development/Climate Change

Regional and global environmental deterioration are major threats to human security in developing countries. JICA-RI promotes the formulation of measures to promote environmental conservation and adapt to environmental change caused by climate change using the latest knowledge in natural sciences, and experience and data gained from JICA's field operations.

4. Assistance Strategies

Utilizing Japan's experience and knowledge, JICA-RI makes recommendations on the roles and functions of international cooperation while conducting research on the modalities of assistance. Research is based on principles such as the "capacity development" approach aimed at enhancing the capabilities of people, South-South cooperation, organizations and society across diverse domains, and the concepts of "human security" and "dynamic development that benefit all people."

● Research Activities in Collaboration with Other Research Institutions around the World

Detailed information in research projects and research outcomes is available on the JICA-RI website*. Below are some examples.

In fiscal 2012, JICA-RI released 16 working papers that present findings about its research projects.

In addition, a book titled *Climate Change Mitigation and International Development Cooperation* was published. This book is the second publication by JICA-RI on climate change, following its previous book entitled *Climate Change Adaptation and International Development* that was published in fiscal 2011.

Various conference volumes were released in fiscal 2012 to provide information at international events about the outcomes of research projects.

In June, JICA-RI prepared *Cerrado Agriculture: A Model of Sustainable and Inclusive Development* for distribution at the United Nations Conference on Sustainable Development (Rio+20) [[see the Case Study](#)].

In November, JICA-RI released *Scaling Up South-South and Triangular Cooperation*, a publication that analyzes case studies of these two forms of cooperation with emphasis on JICA activities. This book was distributed at the United Nations Global South-South Development Expo, held in Vienna, Austria, from November 19 to 23.

In addition to these international activities, JICA-RI performed research projects that involve analysis from a long-term perspective of Japan's contributions to progress in developing countries. The results of this research are published in Japanese-language publications.

In fiscal 2012, JICA-RI published *The Miracle of the*

Development in the Cerrado, the Barren Land of Brazil in July 2012, and *History of the Fight with Chagas Disease* in March 2013. Currently, work is under way to publish a book on the *Cerrado* in English geared toward professional readership based on the revised contents of the original publication in Japanese.

Also in March 2013, JICA-RI released *How the World and Japan Confront Major Disasters Together – Disasters and International Cooperation*. This book (in Japanese) examines the Great East Japan Earthquake two years afterward from the standpoint of international cooperation for recovery assistance and disaster prevention measures.

For these research activities, JICA-RI places importance on networked research that uses partnerships with research and aid organizations in Japan and other countries. Overseas joint research partners include the World Bank, Asian Development Bank and other international institutions, Columbia University in the United States, the Institute of Development Studies in the United Kingdom, The Brookings Institution and other organizations. In addition, JICA-RI is sharing ideas concerning development issues with the Chinese Academy of International Trade and Economic Cooperation of the Ministry of Commerce of the People's Republic of China.

*JICA Research Institute website: <http://jica-ri.jica.go.jp/>

Case Study

United Nations Conference on Sustainable Development (Rio+20) Held in Brazil

JICA-RI Hosts Special Event on *Cerrado* Agricultural Development at Rio+20

The United Nations Conference on Sustainable Development (Rio+20) was held in Rio de Janeiro, Brazil, from June 20 to 22, 2012. This event took place 20 years after this city hosted the United Nations Conference on Environment and Development (Earth Summit) in 1992 and 10 years after the World Summit on Sustainable Development in Johannesburg, South Africa in 2002. At Rio+20, participants discussed accomplishments of activities worldwide and issues associated with environmental conservation and sustainable development.

Akio Hosono, who was then the director of JICA-RI, Visiting Senior Advisor Yutaka Hongo and Go Shimada, who was then division chief of the Research Program Division, represented JICA-RI at Rio+20. On the final day, JICA and the Brazilian Agency for Cooperation (ABC) jointly held a side event titled Lessons for Sustainable Development and Contribution to the World: Agricultural Development in the *Cerrado*. About 100 people including representatives of the Brazilian government attended the event and there was a lively question-and-answer session.

In his welcoming remarks, H.E. Masahiko Horie, Ambassador for Global Environmental Affairs, talked about JICA's book concerning the project history of the *Cerrado* agricultural development project as a valuable example of Japanese ODA. He said that he hopes to see English and Portuguese editions of the book published in the future.

At this event, there was input from people

directly involved with the *Cerrado* development. Participants discussed future approaches for development assistance, focusing on the central theme of sustainable development and environmental considerations.

At the first session of the event, there was a presentation by Dr. Carlos Magno Campos de Rocha, General Director of EMBRAPA (Brazilian Agricultural Research Agency) Fisheries and Aquaculture (former Director-General of EMBRAPA) about the role of the Japan-Brazil Cooperation Program for Agricultural Development (PRODECER) in the *Cerrado* agricultural development. Following that, Dr. Emiliano Pereira Botelho, president of Campo (Company of Agricultural Promotion), talked about the reasons for the success of PRODECER and its contributions to higher food production and the reduction in regional disparities through the creation of value chains in Brazil.

At the second session, Dr. Edson Sano,

head of the Remote Sensing Center (IBAMA) and Dr. Koji Asano, chief advisor for the Jalapao Region Ecological Corridor Project, each gave a presentation about the *Cerrado* development and environmental conservation activities. They explained how suitable environmental protection measures were incorporated in the *Cerrado* development. For example, satellite images were used for an illegal logging surveillance system and regional ecosystems were protected by establishing ecological corridors.



Individuals involved with the *Cerrado* Agricultural Development seminar

Enhancing Development Partnerships

— Scaling Up Development Outcomes in Coordination with International Development Cooperation Organizations

Issues in Recent Years

Japan and other donor countries along with international agencies (hereinafter “donors”) have increased their efforts in addressing poverty reduction and achieving the Millennium Development Goals (MDGs). International consensus was reached at the International Conference on Financing for Development in 2002, held in Monterrey, Mexico, and at the Follow-Up International Conference on Financing for Development in 2008 in Doha, Qatar, on securing the necessary funds to achieve the MDGs. There are also demands for improving the quality of aid. The Paris Declaration on Aid Effectiveness (Paris Declaration) of 2005 generated more debate about the effectiveness of assistance. After the Accra Agenda for Action of 2008 in Ghana, donors summarized the results of initiatives regarding aid effectiveness at the Fourth High-Level Forum on Aid Effectiveness (HLF4) in 2011 in South Korea.

Development issues have become much more globalized and diversified, however. Such issues include inclusive growth without disparity, support for conflict-affected and fragile states, climate change, food security, job creation (especially following the Arab Spring), and disaster risk management.

Following the Lehman crisis, the amount of ODA provided by OECD/DAC member countries has generally been flat. Given the need to use limited funds for a broad array of development issues, there are growing demands for donors to be accountable, and for focusing more on results-based delivery and development outcomes.

Private-sector companies, foundations, NGOs, and emerging countries have played a vital role in development cooperation in recent years. A frequent topic at the G20 and other international forums has been the diversification among the actors of development cooperation and debate about their role. It is essential for a development organization to constantly monitor trends in global development issues and strengthen its ability to gather and provide up-to-date development agendas for international discussions. Furthermore, more efforts should be made to promote project collaboration with other donors and other development cooperation bodies. All of these activities are vital to the efficient and effective implementation of development cooperation.

Donor Coordination for Development Issues

JICA has been enjoying partnerships with, for example, European countries, the United States, and international organizations. At locations where development assistance is provided, JICA works with these partners to supply joint financing, technical cooperation, and other forms of support. To provide assistance more effectively and efficiently at large-scale development projects, donors usually focus their assistance on fields or technologies where they have much expertise and in some cases collaboration is used when a single organization cannot provide the required assistance. JICA

constantly monitors the trends of development cooperation by providing input to and receiving feedback from such discussions. This process is vital to grasp the development needs on the ground, which helps to determine JICA's development cooperation policy. JICA actively participates in annual meetings and conducts mutual visits with donor executives of the World Bank (WB), Asian Development Bank (ADB), Inter-American Development Bank (IDB), African Development Bank (AfDB), and European Bank for Reconstruction and Development (EBRD). Such dialogues make it possible to share a strategic approach to global development issues as well as to assistance strategies for specific regions and countries.

JICA executive officers attended the ADB Annual Meeting (in Manila in May 2012) and the IMF/WB Annual Meeting (in Tokyo in October 2012). These officers gave keynote addresses and served as panelists at many seminars involving recent development issues where they explained JICA's position, activities and policies [\[see the column \]](#). In addition, JICA President Akihiko Tanaka is nurturing relationships with development think tanks in Washington, New York, Brussels, and London, as well as the DAC, United Nations, and other organizations and hosted seminars that cover such themes as TICAD, the Post-2015 development agenda, inclusive growth, and human security. All these activities are aimed at achieving a better understanding of JICA's development philosophy.

JICA also has a strong involvement with the World Development Report (WDR), which is issued every year by the WB. WDR 2013 “Jobs” incorporates case study reports of the JICA Research Institute. JICA has been sharing its thoughts with the WB on WDR 2014 “Managing Risk for Development” since the initial preparation stage. JICA supplied numerous background papers and helped facilitate a high-quality dialogue.

President Akihiko Tanaka has been named to the advisory panel for the Human Development Report (HDR), which is issued every year by the United Nations Development Programme (UNDP). This is one of the most influential reports in the field of international development. The panel includes prominent academics, politicians, development specialists, and others, including Nobel laureates. Members of the advisory panel discuss the central themes for next year's HDR.

JICA and the IMF held their second joint conference (in Bangkok in January 2013), following the first event in 2011. It focused on economic transformation and inclusive growth. JICA and the IMF each presented empirical analysis that were followed by discussions involving about 100 participants, including high level officials from the finance ministries, central banks, and development ministries of 11 low-income Asian countries. Holding this seminar provided a forum for all these countries to have active and frank discussion. Furthermore, the event deepened understanding about achieving inclusive growth as promoted by JICA and the dialogue and information

sharing with the IMF will help strengthen JICA's operation strategies.

The United Nations has held a Global South-South Development Expo every year since 2008. In association with this expo, JICA has co-organized director-general level meetings about South-South cooperation. Donor countries, emerging countries, and developing countries shared their views and experiences involving both South-South cooperation and triangular cooperation. This meeting is one of JICA's efforts for encouraging South-South cooperation and triangular cooperation that contributes to the development of partner countries. At the 2012 expo, JICA was recognized for its nearly four decades of activities supporting South-South cooperation, knowledge sharing of good practices and lessons learned.

JICA periodically holds strategic discussions with some development partners. These discussions include the WB, ADB, and UNDP, as well as the UN High Commission for Refugees (UNHCR) (on support to refugees), the EU (on support to Africa), the French Development Agency (AFD) (on support to Asia, Africa and the Middle East, and climate change), the German Agency for International Cooperation (GIZ) (on water sector in Africa), the German Development Bank (KfW) (on environmental programs), and the Australia Agency for International Development (AusAID) (on support to Oceania and Africa). JICA held its first partnership dialogue with the Arab Coordination Group, which includes the Islamic Development Bank. For the purpose of gathering information in Europe and disseminating JICA's policy as well as strengthening partnership with the EU, JICA newly stationed a chief representative in Brussels.

JICA has signed many memorandums of understanding (MOUs) over the past few years. In fiscal 2012, MOUs were signed with the Aga Khan Development Network (AKDN), the International Federation of Red Cross and Red Crescent Societies (IFRC), and the Asia Foundation. In addition, there are periodic discussions with the Bill & Melinda Gates Foundation and the Konrad-Adenauer-Stiftung. By using mutually complementary cooperation in areas of shared interest, JICA

aims to provide assistance of even higher quality.

JICA is a member of the International Development Finance Club (IDFC), a global network formed in September 2011 by 19 bilateral and sub-regional development banks of developed countries and emerging countries to support sustainable development. JICA is also vice-chairman and a member of the club's steering group. In October 2012, JICA hosted the first Annual Meeting in Tokyo. At the meeting, JICA held a seminar that was also attended by many Japanese and international private-sector companies and led discussions regarding climate change financing.

Partnerships with Emerging Countries

In recent years, China, South Korea, Thailand, Brazil, and other emerging countries have become development cooperation providers. Discussions about development cooperation can no longer take place without reflecting this trend. JICA has been sharing with emerging countries a variety of development approaches and issues that reflect experiences of Japan as Asia's sole DAC donor for many years as well as knowledge gained from Japan's own economic growth. In fiscal 2012, JICA participated in the third Asian Development Forum that took place in Thailand and the fourth forum in Indonesia. At these events, representatives of Asian countries, including emerging countries and international organizations, discussed initiatives and know-how regarding solutions for Asian development issues. Topics included green growth, inclusive growth, disaster prevention mainstreaming, Post-2015 development agenda, and other subjects.

There are also periodic meetings with development cooperation organizations in China, South Korea, and Thailand, along with opportunities for joint discussions and mutual visits. JICA maintains and deepens partnerships with these organizations by sharing information about recent development issues and JICA's operations as well as its experience with development cooperation.

JICA Disseminates Messages at the 2012 IMF/WB Annual Meetings

The IMF/WB annual meetings took place in Tokyo in October 2012. This was the second time (the first was in 1964) that Tokyo hosted this event, which is said to have attracted approximately 10,000 to 20,000 people. This meeting was an excellent opportunity for JICA, under the new president Akihiko Tanaka, who was named in April 2012, to tell the world about JICA's strong commitment and leadership in development activities. At the annual meeting, the IMF and WB held many official seminars for discussions by prominent government and business leaders about the economy and development issues. Mr. Tanaka led the discussions in four seminars, including those proposed by JICA (the Post-2015 development agenda, jobs and development, energy development in Africa (TICAD V), and global health). At these seminars, Mr. Tanaka

delivered messages on JICA's philosophy and its approach to development issues and played an active part in global debates.

During the annual meeting, JICA hosted and co-organized several other seminars as well. These events covered many increasingly diverse and complex issues in the world. Seminars included the outlook for food security and actions needed in the ASEAN region, where economic growth continues; public-private sector collaboration to promote green growth; new cooperation in Islamic countries between JICA and development finance organizations; and assistance for the Middle East and North Africa following the Arab Spring. JICA is playing a leading role in such international debate and making significant intellectual contributions. In addition, JICA held more than 100 dialogues



JICA President Akihiko Tanaka speaks at a seminar held at the IMF/WB annual meetings (second from right).

with the representatives of national governments and international organizations who visited Japan for the IMF/WB annual meetings.

As one of the world's largest bilateral development cooperation organizations, JICA remains committed to strengthening collaboration with the WB, IMF and other international organizations, bilateral development organizations, and regional development finance organizations. JICA will continue to provide knowledge and information to the world while making an intellectual contribution to discussions aimed at solving increasingly diverse development issues.



**なんとか
しなきゃ!**
見過ごせない — 55億人

Nantokashinakya Project Nan-pro: We cannot overlook 5.5 billion people. Efforts from the Third Year

The Nantokashinakya* Project—We cannot overlook 5.5 billion people (Nan-pro), which was started in July 2010, is promoting international cooperation through public participation. The aim of the project is to expand awareness, understanding, support, action and participation in international cooperation. This is done by distributing information in collaboration with organizations involved in international cooperation such as domestic citizen's groups, international organizations, government agencies, corporations, local governments, and educational institutions, in order to spread the concept like a ripple to society-at-large.

*"Nantokashinakya" is a Japanese expression used to say that a problem must be solved by using a variety of actions or to express the commitment to achieving a resolution.

In fiscal 2012, the third year of the Nan-pro, activities placed emphasis on specific issues. Distribution of information focused on the central themes of the year: the environment, poverty, education and Africa, which, in turn, became the main issues of the project one by one. The aim of this approach was to conduct effective and diverse public relations activities.

After determining the themes, activities were conducted along with Nan-pro members such as NGO, international institutions, private companies that are involved with each theme. Joint programs can more effectively make the public aware of the activities of member organizations. In addition, measures were taken so that Nan-pro activities can serve as a link for creating even greater communication and collaboration among member organizations. By linking all members organically, the Nan-pro becomes functional as a platform for international cooperation. The objective is to create a mechanism that can even more efficiently and effectively provide the public with information about international cooperation activities.



A talk show was conducted by Dr. Kuwayama, international cooperation NGOs, private companies and the general public at Global Festa. [Photo by Shinichi Kuno]

As a part of JICA's distribution of information on an issue basis, JICA has been holding seminars for the media. At these seminars, people from media companies can receive information directly from Nan-pro members like NGO, international institutions, companies and JICA. As a result, the participation rate of reporters has been increasing with each seminar. Five seminars were held in fiscal 2012 and more than 60 reporters attended these events.

In the second half of fiscal 2012 (October 2012 and February 2013), international cooperation festivals took place in Tokyo, Nagoya and Osaka. The events were the Global Festa in Tokyo, the World Collaboration Festival in Nagoya and the One World Festival in Osaka. At these events, Ms. Moe Oshikiri, Dr. Norihiko Kuwayama, Ms. Masami Tanaka and Mr. Naoto Matohara of UNDER

GRAPH talked about the impressions of their visits to developing countries. At these events, visitors are asked to submit a "message to the world" at the Nan-pro booth and every time hundreds of people placed messages on a world map.

JICA started using Facebook in 2012 for Nan-pro. This channel is used to provide information about activities member organizations conduct, topics, field visit reports by celebrity members, and other subjects. Information is presented with photos in a style that is easy to understand. The number of fans had grown to 8,456 by the end of fiscal 2012 and continues to climb.



JICA continuously held media seminars to provide information regarding the importance of international cooperation.

Fiscal 2013 is the final year of Nan-pro. JICA is continuing to disseminate information while preparing for the next step of this project. For example, there were public relations activities for TICAD V in June 2013 and announcements concerning the activities of member organizations. The aim is to disseminate information that is even easier to understand so that supporters and the public can take the first step.



At the Nan-pro page on Facebook, news and episodes about international cooperation are updated daily.



Syria: First year student in finance and banking course practicing typing (audio-visual education) [Photo by Sanae Numata]

Cooperation Modality Operation, Management and Evaluation

Cooperation Modality

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Technical Cooperation

Using Multi-tiered Assistance to Aim for Capacity Development of Developing Countries

Responding to Diverse Needs

Technical Cooperation is people-to-people cooperation that supports developing countries in enhancing their comprehensive capacities to address development challenges by their own efforts. The needs of developing countries are becoming increasingly diverse. In addition to the development of agriculture, transport infrastructures, industries, healthcare services and education, in recent years, these needs have extended to support for developing legal systems, transitioning to a market economy, peacebuilding, reconstruction assistance, and environmental and climate change measures. Formulating customized cooperation plans with developing countries enables JICA to provide multi-tiered assistance for human resources development, organizational strengthening, policy formulation, and institutional development in developing countries by utilizing the knowledge, experience and technologies of both Japan and Developing countries.

Effectively Combining a Variety of Cooperation Tools

1. Dispatch of Experts

Japanese experts are dispatched to developing countries to provide necessary technologies and knowledge to government officials and engineers (the counterparts of the partner country). At the same time, they cooperate with these counterparts in developing and spreading technologies and institutions suited for the conditions in those countries as well as conducting awareness-raising activities. Depending on the partner country's regional, cultural and other characteristics, when appropriate, JICA dispatches experts from third countries (countries other than Japan or the partner country) in order to deliver services more efficiently.

2. Acceptance of Training Participants

JICA invites competent personnel in developing countries, who are responsible for social and economic development, to Japan as training participants. They participate in training programs in Japan to acquire the knowledge and technologies needed in their countries. JICA also organizes overseas technical training programs.

3. Provision of Equipment

Equipment needed by experts for implementing effective cooperation is provided to partner countries.

4. Technical Cooperation Projects

Technical Cooperation projects, which use the optimal combination of the "Dispatch of Experts," "Technical Training" and/or "Provision of Equipment," are the core operation of JICA's Technical Cooperation. Project outcomes can be obtained by working together with the counterparts and associated organizations in the partner country through planning, implementing and evaluating the project in a systematic and comprehensive manner.

Implementation Process

1) Project Identification and Formulation

JICA identifies and formulates projects through discussions with the government of the partner country, preparatory surveys and other activities.

2) Request and Approval

Based on a request from the partner country, the Ministry of

Foreign Affairs of Japan decides whether or not to approve the project. JICA and associated ministries and agencies participate in this discussion. The approved project is reported by the Japanese government to the partner country and an international agreement is signed for implementation of the project.

3) Plan Examination/Ex-Ante Evaluation

In order to clarify details and expected outcomes of the project and examine the appropriateness of implementation, ex-ante evaluation is conducted based on five evaluation criteria such as relevance, effectiveness, efficiency, impact and sustainability.

4) Project Implementation/Terminal Evaluation

JICA and the government organization of the partner country sign a Record of Discussions (R/D) regarding project implementation, details of the activities and necessary measures.

As the project is implemented, the project's activities and implementation process are monitored periodically and the initial plan is revised when necessary. Before the project is completed, JICA and the partner country jointly conduct an evaluation (terminal evaluation) to determine the progress made towards reaching the project's target goals and decide whether the project will be ended or not. In addition, lessons learned and suggestions are shared with the partner country to be reflected in the future projects.

5) Ex-Post Evaluation

Ex-post evaluations are conducted several years after project completion to check the sustainability and impact of the project. Evaluation results are then shared as lessons learned and used as a reference when formulating and implementing similar projects.

5. Technical Cooperation for Development Planning

While supporting developing countries' policymaking and public works plans, JICA transfers technologies, including survey/analysis methods and planning methods to counterparts in the partner country.

Following the completion of this cooperation, developing countries will 1) formulate plans for sector/regional development or rehabilitation/reconstruction by utilizing recommendations; 2) implement plans (project) by raising funds from international organizations and others; and/or 3) carry out the recommended organizational/institutional reforms.

6. Science and Technology Cooperation on Global Issues

As a modality of JICA's Technical Cooperation, "Science and Technology Research Partnership for Sustainable Development (SATREPS)" incorporates elements of joint research for developing and applying new technologies and acquiring new scientific knowledge. SATREPS will help address global challenges (environmental, energy, natural disasters (preparedness), infectious diseases, food supplies and other problems that require global cooperation because no single country or region can resolve these issues) by using partnerships that encompass universities and research institutions, etc. in Japan and those in developing countries.

Science and Technology Cooperation on Global Issues

Improve the development of human resources and self-reliant research capability of research institutions of developing countries by promoting international joint research for acquiring new knowledge and utilizing research outcomes for the benefit of society with a view to resolving global issues

Background

In recent years, the importance of international cooperation utilizing Japanese science and technology for global issues in vulnerable developing country has been increasing. Global issues, including the environment and energy, infectious diseases and natural disasters, are difficult to resolve by one country or region alone and need to be handled by the international community as a whole.

In order to tackle these global issues, and to support self-reliant, sustainable development in developing countries, Japan will provide assistance in terms of applying and transferring technology from Japan. In addition to this, joint research will be carried out through collaboration between universities and research institutes in Japan and developing countries, with the aim of developing and utilizing new technologies and gaining new knowledge. Such an approach is necessary because it enables issues to be resolved and at the same time works to improve science and technology standards and overall capabilities at universities and research institutions in developing countries.

To respond to these issues, JICA in fiscal 2008 started Science and Technology Cooperation on Global Issues, which consists of the following two programs.

- (1) Science and Technology Research Partnership for Sustainable Development (Project Type Technical Cooperation)
- (2) Dispatch of Science and Technology Researchers* (Dispatch of Individual Expert)

Science and Technology Research Partnership for Sustainable Development (SATREPS)

1. Overview

This program is designed to promote international joint research in which both Japanese research institutions and those of developing countries work together based upon the social needs in developing countries under the framework of JICA project type Technical Cooperation. Its aims are to acquire new knowledge and to utilize research outcomes to the benefit of the society with a view to resolving global issues such as the environment and energy, biological resources, disaster prevention, and infectious diseases.

2. Objectives

- (1) Improve the development of human resources and self-reliant research capability of developing country.
- (2) Build a framework for sustainable activities to contribute to solutions for global issues.
- (3) Acquire new knowledge leading to resolving global issues and advancing science and technology.

3. Implementation System

SATREPS is carried out through collaboration with the Japan Science and Technology Agency (JST). Institution the proposer (Principal Investigator) is affiliated with and JICA collaborate to carry out research proposal which was selected in JST's invitation for application of universities and research institutions. JICA provides support for expenses for the activities in partner countries (dispatch of experts, acceptance of counterpart researchers in Japan, provision of equipment, expenses for experts' activities in partner countries, etc.) under the framework of JICA project type Technical Cooperation, while JST provides support for expenses in Japan and third countries under the framework of competitive funds for the promotion of science and technology.

4. Eligible Fields of Research

For fiscal 2013, there was an invitation for applications of research proposals in six areas: the environment, low-carbon society, biological resources, disaster prevention, infectious diseases, and interdisciplinary areas.

Dispatch of Science and Technology Researchers*

1. Overview

This program is designed to dispatch the most suitable researchers from Japanese research institutions to developing countries for international joint research and the development of human resources based upon the needs of developing countries under the framework of JICA Technical Cooperation experts (dispatch of individual experts).

2. Objectives

- (1) Support capacity building for developing countries through international joint research.
- (2) Create and energize foundations for exchanges between Japanese research institutions and those in developing countries, provide support for the formulation of future joint research plans.

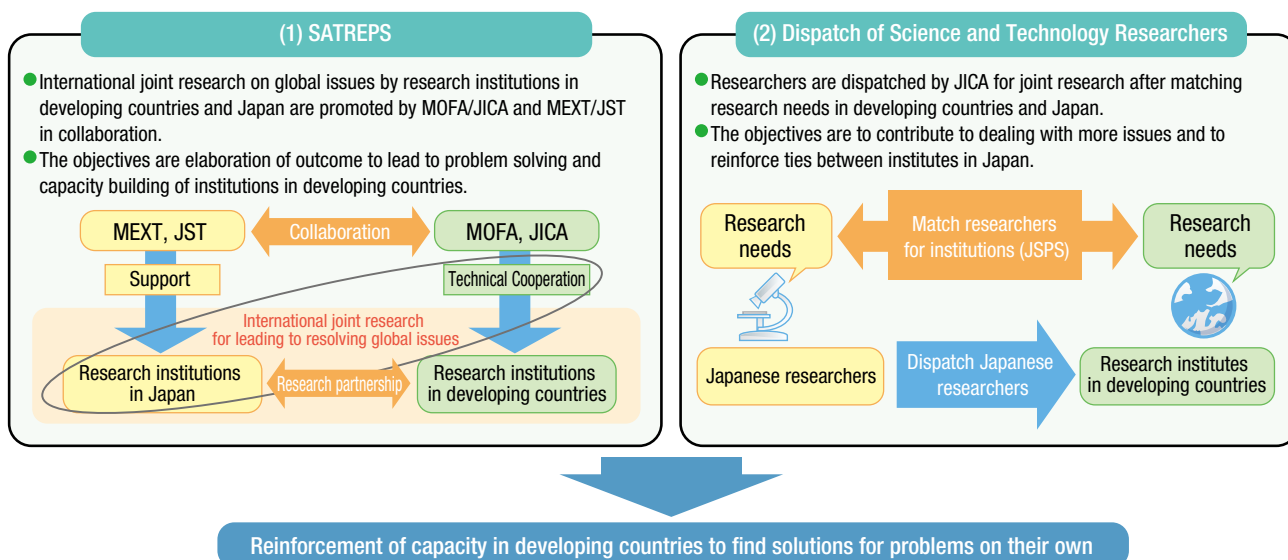
3. Implementation System

This program is carried out through collaboration with the Japan Society for the Promotion of Science (JSPS), which makes effective use of its network of researchers and academic institutions in Japan, and the Ministry of Education, Culture, Sports, Science and Technology (MEXT) and JSPS will select researchers.

4. Eligible Fields of Research

This program covers all fields of science and technology. There are no restrictions other than the requirement for resolving global issues.

*Dispatch of Science and Technology Researcher program has been terminated until fiscal 2012.



Special Feature
Program Goals and Overview
Concrete Initiatives
Cooperation Modality
Operation, Management and Evaluation
Data and Information

JICA's Training and Dialogue Programs

— Aiming for Qualitative Improvement

Aiming for Qualitative Improvement

JICA's Training Affairs and Citizen Participation Department and the domestic offices have been managing and operating JICA's Training and Dialogue Programs, Citizen Participatory Cooperation Programs, scholarship programs and collaboration with local universities to support developing countries in resolving their development issues by working closely with the overseas offices, Regional Departments and Thematic Departments* engaged in the implementation of cooperation activities in developing countries.

JICA's Training and Dialogue Programs are one of JICA's major activities in Japan. Government officials and people from different fields from developing countries come to Japan to participate in the programs with the cooperation of partner organizations and communities in Japan. At these events, individuals acquire expected technologies and knowledge to tackle development issues of their countries.

The training programs require even more effective and efficient performance while utilizing limited budgets. JICA undertakes several measures to meet this requirement. For example, confirmations are performed to be certain that training matches the priority development issues of participating countries. As a rule, the training and dialogue programs focus exclusively on cooperation programs associated with these development issues. In addition, there are studies concerning subjects to cover for each theme, such as education or agriculture, while monitoring changes in other cooperative

schemes. JICA has also started preparing the most suitable lineup of training and dialogue programs.

Formulating the best possible lineup requires determining whether or not each program is suitable for taking place in Japan. This is why JICA has also begun to select the necessary trainings based on the knowledge and know-how of JICA domestic offices that are monitoring the characteristics of each region of Japan.

To make the training programs more effective, relationships must be maintained among program participants and with JICA after they return to their home countries. Various actions are being used to build stronger networks, mainly by setting up a Facebook page for these participants.

*JICA has five Thematic Departments at Headquarters: Economic Infrastructure Department, Industrial Development and Public Policy Department, Human Development Department, Global Environment Department and Rural Development Department.

The Multifaceted Benefits of the Training Programs

The goal of the JICA's Training and Dialogue Programs is to help solve development issues of partner countries, meanwhile, the programs also have produced many other benefits.

To date, over 290,000 people have participated in JICA's Training and Dialogue Programs and the participants have met numerous Japanese people during their stays in Japan and returned home with a deeper understanding and familiarity with Japan by learning Japanese culture. Meanwhile, site-visits and



JICA Tokyo held a Participatory Water Management System course for the purpose of providing farmers and agricultural officers effective guidance on managing operations and strengthening farmers' organizations. Participants visited an agricultural cooperative (JA) in Saga prefecture. (Country-focused Training Course: Iran Participatory Water Management System)



JICA Chubu utilized the highly concentrated nature of the automobile industry to hold a training program about manufacturing. (Group-focused Training Course: Japanese MONOZUKURI and Manufacturing in Developing Countries)

some training activities designed by the training programs benefit Japan that receives the participants. For instance, companies can obtain information about developing countries and build relationships that can lead to the start of overseas operations. In addition, students at universities holding training programs can acquire a greater global perspective by interacting with the program participants. As a result, the training programs create additional benefits of invigorating various regions of Japan and fostering people with global skills and knowledge.

JICA's Training and Dialogue Programs contribute to solving issues in developing countries. Fostering Japan experts and Japanophiles, revitalizing the local areas and fostering global human resources are other important benefits of the programs. Consequently, JICA implements its training programs by identifying these significant benefits.

Globally Unique Training Programs

The implementation methods for Technical Cooperation can be divided into two categories: overseas cooperation by dispatching experts from development sectors and volunteers to developing countries; and domestic cooperation by inviting participants from developing countries to Japan. JICA's Training and Dialogue Programs refers to a variety of training programs under domestic cooperation.

Implementation of training programs in Japan has significance with regard to utilizing Japan's development experience and know-how, rather than only sharing Japan's advanced technologies and skills. To learn and understand Japan's "knowledge," it is often necessary to use on-site experience concerning Japan's organizational know-how and the backgrounds and transitions underlying its social system. Moreover, a particular characteristic of JICA's Training and Dialogue Programs is to provide an opportunity for participants to become aware of and to reexamine the experience and the actual circumstance of their own countries from outside by experiencing Japan. Hence, participants are able to tackle various development issues of their home countries with a different perspective.

Among the domestic training programs, Region and Group-

focused Training Program, in which group training programs are provided to participants from several developing countries, give opportunities to participants to examine a variety of issues not only from the perspectives of Japan and/or their own countries, but also from a multifaceted viewpoint by exchanging opinions among themselves. The program thus offers valuable insight and discoveries to each participant.

JICA's Training and Dialogue Programs are an essential tool of Technical Cooperation by utilizing Japan's unique "knowledge" to promote human resource development and to solve development issues in developing countries.

JICA hosts approximately 10,000 training program participants every year in cooperation with its nine domestic offices and three branches across Japan. The majority of the participants are affiliated with counterpart governments. However, there has been an increase in NGO-affiliated participants reflecting the diversified needs of developing countries and capacity expansion of Japan's cooperation programs. Training programs are undertaken in cooperation with universities, private sector enterprises, public interest organizations, NGOs and other organizations as well as central and local governments. Involvement with various domestic organizations makes possible programs dealing with sophisticated but vast development issues. JICA's Training and Dialogue Programs are truly unique in terms of scale and sphere of activities and are an outstanding characteristic of Japan's international cooperation.



In March 2013, a Facebook page for program participants was set up. The objective is to maintain and deepen the network of ties among participants and with JICA after the completion of the programs and their return home.

ODA Loan and Private Sector Investment Finance

— Providing Development Funds with Concessional Terms to Support Ownership by Developing Regions

For Sustainable Development of Developing Regions

In many developing countries and regions, economic and social infrastructure encompassing electricity, gas, transportation and communications services is underdeveloped. Furthermore, in recent years, global issues such as HIV/AIDS and other communicable diseases, air and water pollution, climate change, conflicts and terrorism, and financial crises have emerged in addition to the problems of poverty. To address these issues, the international community set the Millennium Development Goals (MDGs) as common goals, while individual countries have formulated a host of measures.

Loan assistance provides relatively large amounts of development funds under concessional terms to developing countries and regions to support their efforts for growth and development.

ODA Loan

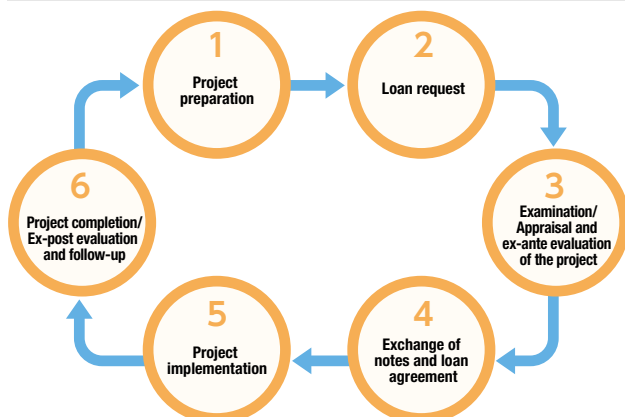
Support that Emphasizes Ownership by the Developing Country

Ownership is crucial for economic growth and poverty reduction in developing countries. An ODA Loan, which requires repayment, promotes efficient use of the borrowed funds and appropriate supervision of the projects, thereby bolstering developing countries' ownership in the development process. In addition, as an ODA Loan is financial assistance with a repayment obligation, this method of assistance places a relatively small fiscal burden on the Japanese government and represents a sustainable instrument for ODA.

Flow of ODA Loan—Project Cycle—

An ODA Loan follows six steps and lessons learned from ex-post evaluations implemented at the final stage will be fed back into preparations for new projects. This flow of steps is called the Project Cycle.

ODA Loan Project Cycle



Types of ODA Loans

1. Project-Type Loans

1) Project Loans

Project loans, which account for the largest portion of ODA Loans, finance projects such as roads, power plants, irrigation, water supply and sewerage facilities. The loans are used for the procurement of facilities, equipment and services or for conducting civil and other related works.

2) Engineering Service (E/S) Loans

Engineering Service (E/S) loans are for engineering services which are necessary at the survey and planning stages of projects. These services include reviews of feasibility studies, surveys on detailed data on project sites, detailed designs and the preparation of bidding documents. In the same manner as Project Loans, completion of feasibility studies or their equivalent and confirmation of the project's overall necessity and relevance are prerequisites for this type of loan.

3) Financial Intermediary Loans (Two-Step Loans)

Financial intermediary loans are implemented through the financial institutions of the recipient country based on the policy-oriented financial system of the partner country. These loans provide funds necessary for the implementation of designated policies, such as the promotion of small and medium-scale enterprises in manufacturing, agriculture and other specified industries and the construction of facilities to improve the living standards of the poor. These loans are known as "two-step loans (TSL)" because under the process, funds pass through two or more financial institutions before the end-beneficiaries receive the funds. Under this type of loan, funds can be provided to a large number of end-beneficiaries in the private sector. Since these loans are implemented through local financial institutions, strengthening of the operational capabilities of these institutions and the development of the financial sector of recipient countries are also expected as the result of these loans.

4) Sector Loans

Sector loans are for materials and equipment, services and consulting required for the implementation of development plans in a specific sector consisting of multiple sub-projects. This type of loan also leads to improved policies and systems in the sector.

2. Non-Project Loans

1) Program Loans

Program loans support the implementation of national strategies and poverty reduction strategies of developing countries that are seeking to improve policies and implement general system reforms. In recent years, the most common type of these loans is one in which proceeds are

incorporated into the target partner country budget. In confirming achievement, consultation proceeds with future reform items in support of reforms based on a long-term framework. There are many instances in which these types of loans take the form of co-financing with the World Bank and other multilateral development banks (MDBs).

2) Commodity Loans

In order to stabilize their economy, commodity loans provide settlement funds for urgent and essential imports of materials to developing countries that are experiencing a worsening foreign currency situation and facing economic difficulties. These loans are often used to import commodities such as industrial machinery and raw materials, fertilizer and pesticide, agricultural and other kinds of machinery, which are agreed upon beforehand between the Japanese and recipient governments.

3) Sector Program Loans

This type of loan is a Commodity Loan used simultaneously to support development policies in prioritized sectors of developing countries. Local currency (counterpart) funds received by the government as payment for foreign currency sold to importers are utilized for public investments for sector-specific development.

Private Sector Investment Finance

Support for Development Projects by the Private Sector in Developing Countries

In recent years, the importance of the private sector in economic and social development in developing countries has been steadily increasing, as international organizations, European and US donors greatly boost their support for the private sector. Private Sector Investment Finance aims to stimulate economic activity and improve the living standards of people in developing countries through equity investments and loans for projects undertaken in developing countries by the private sector.

Realizing the New Growth Strategy 2011 (January, 2011)

declared that Private Sector Investment Finance was resumed on a limited scale by April 2012 under the Pilot Approach, and then, after reviewing organizational structure of implementation and process in the pilot approach in August 2012, Private Sector Investment Finance was fully resumed in October 2012 by establishing the rules for selecting projects to be financed.

Scope of Support

With Private Sector Investment Finance being targeted to projects with high levels of development effectiveness, the targets are the projects in developing countries in the following three categories: (1) Infrastructure and Growth Acceleration; (2) MDGs and Poverty Reduction; and (3) Climate Change.

Organizational Structure of Risk Assessment and Control

Private Sector Investment Finance has been resumed with an appropriate organizational structure for risk assessment and control. In addition to mutual checks and controls between the departments concerned, JICA conducts portfolio management for the whole of Private Sector Investment Finance through an independent account*, and is reinforcing its capacity for project implementation, risk assessment and management.

*In the Private Sector Investment Finance independent account, loans totaled ¥140 billion, investment securities were ¥46 million and affiliate companies stock was ¥76.4 billion as of March 31, 2013. Ordinary revenues were ¥33.6 billion (dividends on investments of ¥27.5 billion and gains on sales of securities of ¥6.2 billion) and net income was ¥33.0 billion in the year ended March 31, 2013. The independent account received assets of the Private Sector Investment Finance operations on October 1, 2008, which is when JICA was established under its current structure. Ordinary revenues consist of dividends on investments, interest on loans and other revenues from Private Sector Investment Finance. Ordinary expenses consist of losses on sales of securities, impairment losses of securities, interest on borrowings, provisions for the allowance for possible loan losses, attorney expenses and other items involving Private Sector Investment Finance. Revenues and expenses that are not directly related to Private Sector Investment Finance (depreciation expenses, real estate expenses, personnel expenses, etc.) are not included in the independent account revenues and expenses.

Case Study Expanding the Possibilities for ODA Loans

The Introduction of ODA Loans with Currency Conversion Option and Stand-by Emergency Credit for Urgent Recovery

JICA introduced ODA Loans with currency conversion option in January, 2013 for projects with repayment periods of less than 20 years. This option allows the borrower to convert the currency for the payment of principal and interest from Japanese Yen into US Dollars. For borrowers who manage their external debt mainly in US Dollars, this option allows them not only to fix their debt amount in US Dollars but also to mitigate the Japanese Yen/US Dollar foreign exchange rate risk. Furthermore, this option can increase business opportunities for

companies planning to expand their overseas exposure by attracting borrowers whose revenue streams are denominated in US Dollars.

Moreover, Stand-by Emergency Credit for Urgent Recovery (SECURE) has been provided. In developing countries in which the occurrence of natural disasters can be anticipated, SECURE provides smooth financing for rehabilitation immediately after the occurrence of disasters, based on the prior agreement with JICA with regard to the usage and amount of funds. So far, JICA has provided emergency support in

the immediate aftermath of natural disasters and has undertaken measures to arrange infrastructure support during reconstruction phases, but the provision of SECURE makes it possible to respond quickly to demand for funds linking emergency support and recovery seamlessly. Through the coordination between Technical Cooperation and Loan Assistance utilizing the experience of natural disaster prevention in Japan, SECURE contributes to enhancing the disaster response capabilities of borrower countries further.

Grant Aid

Financial Cooperation for Building Living Foundations for the Future of Developing Countries

Building Foundations for the Future of Countries

Grant Aid is financial assistance extended to a developing country (partner country) with no obligation for repayment. Targeting mainly developing countries with low income levels, this type of aid covers a wide range of cooperation, including development of social and economic infrastructure as well as education, HIV/AIDS, child health, environment and other areas, to build the foundation for future development in those countries.

Aside from Grant Aid extended directly by the Ministry of Foreign Affairs of Japan due to the necessity in executing diplomatic policies, JICA is responsible for providing Grant Aid and handles related operations, including preparatory surveys, advice and guidance to a partner country for project implementation, and post-project management.

Procedure for the Implementation of Grant Aid

Project Identification and Formulation

Regarding project content, JICA conducts preparatory surveys and other surveys in discussion with the government of the partner country, while examining from a variety of perspectives on the country's current situation, objectives of project implementation, scale of cooperation, the operation and management structures if implemented and the expected outcome. Based on this information, necessary costs are calculated.

Project Examination and Approval

Concerning the implementation process and results of preparatory surveys, JICA shares all information with the Japanese government, verifies the appropriateness of implementing a project and then examines the contents of cooperation.

Based on the results of the surveys, the Japanese government conducts necessary reviews and procedures for securing budgets and then submits project proposals to the Cabinet for a final decision on implementation.

Exchange of Notes and Grant Agreements

After approval by the Cabinet, the government of the partner country and the Japanese government sign documents (Exchange of Notes) summarizing the objectives and content of cooperation for the project.

JICA then signs a "Grant Agreement" with the government of the partner country that sets the specific conditions for the grant.

Project Implementation

At the project implementation stage following the signing of the Exchange of Notes and Grant Agreement, JICA offers advice and implementation guidance to the partner country and consultants. This advice and guidance is to ensure that facility construction as well as materials and equipment procurement proceed in an appropriate manner without delays, from the time the agreement is signed through transfer of the materials and equipment until completion of construction.

Post-Project Management

After cooperation is completed, the government of the partner country handles operations and maintenance. However, there will be cases when equipment breakdowns or other unexpected problems occur. In such circumstances, JICA provides Follow-up Cooperation in the form of materials and equipment procurement, dispatch of repair teams and emergency repair work in order to maintain the effectiveness of cooperation.

Types of Grant Aid (Portion implemented by JICA)

Scheme Name	Outline
Grant Aid for General Projects	Support for projects implemented for basic human needs, education, etc. (including the construction of hospitals, schools and roads, or the procurement of materials and equipment for public transport vehicles, etc.)
Grant Aid for Community Empowerment	Support for comprehensive skills development in communities faced with threats to human life or safe living
Grant Aid for Conflict Prevention and Peacebuilding	Support and others for spreading the necessary economic and social infrastructures in post-conflict countries
Grant Aid for Disaster Prevention and Reconstruction	Disaster prevention assistance and post-disaster reconstruction assistance
Grant Aid for Environment and Climate Change	Support for adoption of policies and planning related to climate change countermeasures, etc., and for related projects
Grant Aid for Poverty Reduction Strategies	Public financing support for countries implementing poverty reduction strategies
Grant Aid for Human Resource Development (Scholarship)	Support for training young administrative officials
Grant Aid for Fisheries	Support for projects promoting the fisheries industry
Cultural Grant Assistance	Support for equipment procurement and facilities development needed for promotion of culture, etc.
Grant Aid for Underprivileged Farmers	Support for purchase of agricultural equipment and fertilizers, etc., to support self-help efforts toward food self-sufficiency
Grant Aid for Cooperation on Counter-Terrorism and Security Enhancement	Support for strengthening piracy countermeasures and other public security policies

Assistance for Myanmar

Grant Aid for Building Socioeconomic Foundations

JICA provides Grant Aid for improving basic infrastructures, adapting to climate change, controlling borders, strengthening maritime security and many other areas. In fiscal 2012, the characteristics of Grant Aid could be illustrated by the cooperation in Myanmar, which was the largest assistance conducted by JICA.

In line with reforms for democratization and reconciliation with its citizens in Myanmar, the government of Japan has established the following goals as economic cooperation pillars: (1) assistance for improvement of people's livelihoods; (2) assistance for capacity building and institutions development to sustain economy and society; and (3) assistance for development of infrastructure and related systems necessary for sustainable economic development, under three pillars. JICA is providing Grant Aid for support for medical care, agriculture, electric power, infrastructure, telecommunication and other areas.

For example, in the telecommunication sector, the number of communication

service users is increasing along with the rapid progress of democracy and economic reforms. This has created an urgent need to improve the communication network. However, due to many years of restrictions on imports and insufficient financial resources, there are serious problems with the capacity and quality of communication network.

To address these issues, the Government of Myanmar has requested cooperation to make urgent improvements to the communication networks in and between three major cities with particularly acute needs—Yangon, Mandalay, and Nay Pyi Taw. A Grant Agreement for this assistance was signed in December 2012.

It is expected that the project contributes to improve the communication infrastructure which is the foundation for the economic activities and the people's life, invigorate all categories of economic activities, improve the lives of residents of the three major cities, and enable governments to operate more efficiently. In addition, the project is expected to lead to

investments by companies including from Japan.

This project includes technical support for engineers in Myanmar. JICA's Grant Aid is supporting the country's knowledge as well as its infrastructure.



A Tower for Telecommunication in Yangon

Preparatory Surveys

Formulating Cooperation that Maximizes the Benefit of the Three Assistance Schemes of Technical Cooperation, ODA Loans and Grant Aid

Enhancing Implementation of Effective Projects through Preparatory Surveys with Flexibility and Speed

Preparatory surveys are performed to formulate a cooperation program, identify and formulate individual projects, and confirm a project's relevance, effectiveness and efficiency. These surveys are conducted as needed based on decisions reached after consultations with the Ministry of Foreign Affairs of Japan. When appropriate, a single survey can be used for a cooperation program and individual projects. Using this approach allows preparatory surveys to take place with flexibility and speed.

The preparatory surveys enable JICA to optimize combinations and synergistic effects of the three assistance schemes of Technical Cooperation, ODA Loans and Grant Aid, and thereby increase prospects for the cooperation to yield greater development benefits.

The objectives of preparatory surveys can be divided broadly into the following two categories.

- 1) A survey to "set a development goal for cooperation" and "draft suitable cooperation scenarios (cooperation program) for attaining the goal" in order to assist partner countries in solving specific development issues in an effective and efficient manner
- 2) A survey to identify and formulate individual projects, examine relevance, effectiveness and efficiency of the candidate projects, formulate basic plans for these projects, and propose cooperation contents

Follow-up Cooperation

Follow-up Cooperation Adds Value to Projects

Post-Project Support

Cooperation projects conducted by JICA are completed after a predetermined period. JICA carries out ongoing monitoring after a project has ended to assess the partner country's self-help efforts in maintaining and enhancing the results of the project. JICA also provides indirect support and supplementary support when necessary. Such support is referred to as "Follow-up Cooperation," which may be broadly divided into two categories.

1. Follow-up Cooperation to Solve Problems with Facilities and Equipment

This type of cooperation involves working with the partner country to solve problems that may have arisen with facilities constructed by or equipment provided through Japan's cooperation projects. Such problems can occur owing to a variety of factors, including damage caused by natural disasters, a shortage of financial resources in the partner country due to a worsening economic situation, or problems with the use and maintenance of the facilities or equipment.

In Uganda, for example, Grant Aid was extended between 2003 and 2004 to build hand pump facilities for a safe water supply in 116 locations in the country and procure necessary operation and maintenance equipment. Although the Ugandan government and people have effectively used the facilities paying due attention to maintenance, some of the facilities malfunctioned because of aging and other reasons. Water supply facilities are essential to the daily life of the people and immediate repair was needed. However, the Ugandan government was unable to conduct necessary rehabilitation work through their own self-help efforts. Therefore, JICA decided to implement Follow-up Cooperation to undertake urgent repairs of the facilities and provide repair tools. Moreover, to ensure more effective operation and maintenance of the facilities, JICA also provided support for a workshop to raise awareness of the water sanitation committee consisting of community residents, who are responsible for daily care of the facilities, concerning the importance of regular maintenance. In addition, Follow-up Cooperation also covered training for hand pump mechanics. Japan Overseas



Mechanics learn how to repair hand pumps used to supply water. (Uganda)

Cooperation Volunteers (JOCV) serving in Uganda as a "Water Security Action Team" also joined these activities to help local residents acquire repair skills for hand pump facilities, which contributed to enhanced sustainability of the effectiveness of the cooperation.

As a result of this Follow-up Cooperation, all the facilities now function properly and operation and maintenance systems have been strengthened. The Ugandan people now enjoy a stable supply of safe water, which is indispensable to their everyday life.

2. Follow-up Cooperation to Expand Project Benefits

Another type of Follow-up Cooperation is the provision of additional support to the partner country to add new value to a completed project or training program in line with the project goal, thereby promoting and expanding the benefits that accrue from a project.

In China, for example, JICA implemented the Project for Surveillance and Control for Vaccine-Preventable Diseases between 2006 and 2011, as part of cooperation to support countermeasures against infectious diseases ('surveillance' here means researching and aggregating the occurrence of infectious diseases). Aiming at raising the quality of protective vaccination, the project supported integrating three documents (Pregnant Woman's Notebook, Infant Health Notebook, and Vaccination Certificate), formerly issued separately under the jurisdiction of different ministries, into the "Mother and Child Health Handbook" along the lines of Japan's similar concept. The handbooks were distributed at a pilot project site, Nanfeng County, Jiangxi Province. In March 2013, approximately one year after completion of the project, Follow-up Cooperation was extended to hold a workshop with the aim of (i) confirming the degree of change in the health consciousness in the population, in mother and child health services, and in the use of the Mother and Child Health Handbook, and (ii) seeking to further disseminate the outcomes of the project. The workshop revealed that, after project completion, some 6,700 handbooks had been distributed to new mothers. It was also confirmed that the rate of health check-up frequency as well as the level of health consciousness among pregnant women had risen and



Mothers and their children receive health check-ups using the "Mother and Child Health Handbook." (China)

that information sharing among medical institutions was promoted. On the other hand, some challenges were recognized in the workshop. They included the case where handbooks were not distributed to intended mothers and the observation that mothers tend to feel an excessive burden in filling out the handbook. By holding the workshop, all the stakeholders in Nanfeng County, Jiangxi Province, reaffirmed their intention to work together to address these challenges from the users' viewpoints and further bolster efforts for protecting the health of mothers and children.

JICA Kansai (formerly called JICA Osaka) conducted a training course on Capacity Development for the Trade Promotion between Central America and Caribbean Countries and Japan over a six-year period between 2006 and 2011. The training course aimed at supporting the participants (typically staff members of Trade and Investment Center in charge of export promotion in their countries) to analyse Japan's food market and formulate export strategies to Japan so that they can contribute to facilitating the entry of food-related companies in their countries into the Japanese food market. One of the distinctive characteristics of this training course was that, as one of the final goals after the training, it aimed to achieve participation in FOODEX JAPAN (Japan's largest specialized annual food and beverage exposition) by the food-related companies in participants' countries.

JICA implemented Follow-up Cooperation in the Dominican Republic and Nicaragua to help the ex-participants in the training course to conduct export promotion activities for local companies. In February 2013, Japanese instructors accompanied these participants to the local companies they are in charge of and gave advice on handling products and their production facilities. In addition, the Japanese instructors participated in a seminar on export promotion to Japan and explained the characteristics of the Japanese food market, particularly regarding preferred taste and packaging, to the participants from local food companies.

As a result of this cooperation, four food companies from the Dominican Republic succeeded in exhibiting their products at the FOODEX JAPAN 2013 for the first time from this country. In the Central America and the Caribbean region, the momentum for export promotion to Japan is now growing.

Support for Alumni Associations of Former Training Program Participants

Follow-up Cooperation also includes support for alumni



Japanese instructors hold a seminar on how to export products to Japan. (Dominican Republic)

associations for ex-participants in JICA's Training and Dialogue Programs in Japan. Since the program's establishment, JICA has hosted in Japan more than 290,000 training program participants from developing countries. These participants will play a key role in the future development of their respective countries while also functioning as "important human assets" that serve as bridges connecting Japan with many countries around the world. To maintain and develop friendships with these ex-participants, who have gained a positive understanding of Japan, as well as to support the ongoing enhancement of the skills and knowledge they acquired in Japan, JICA supports the formation and maintenance of alumni associations of ex-participants in their home countries. As of 2012, there were 130 such alumni associations around the world.

At many of these alumni associations, participants returning from training programs in Japan serve as instructors at study sessions and share their knowledge of JICA activities in their home countries and the results of their own training through the alumni association's website, newsletter or annual meetings.

JICA collaborates with these alumni associations, which it recognizes as valuable human assets, to further enhance the effectiveness of its cooperation projects.

For example, JICA supports the alumni association in Iraq, whose main activity is to hold local seminars in JICA's priority assistance areas, such as infrastructure development, private sector development, and strengthening of governance. Ex-participants serve as lecturers in these seminars and promote information sharing and collaboration among relevant stakeholders. As Japanese nationals' field of activity is limited due to security reasons, ex-participants play critical roles in supporting JICA's activities by visiting and collecting information at JICA project sites in addition to their ordinary workplaces. In March 2013, the alumni association held its first photo exhibition with support from the Department of Literature of Baghdad University. The aim was to introduce JICA's activities in Iraq and Japanese culture to the Iraqi people. The photo exhibition was a great success, attracting a wide range of participants including university teaching staff and students as well as government officials. The story of the exhibition was covered by the national newspaper, which provided an excellent opportunity to introduce JICA's activities throughout Iraq.

Follow-up Cooperation helps to extend and enhance the results of past cooperation projects over longer time periods, thereby increasing the effectiveness and quality of Japan's international cooperation efforts.



Opening ceremony of the JICA alumni association photo exhibition in Baghdad (Iraq)

JICA-Net — A New Form of International Cooperation That Transcends the Restrictions of Time and Distance

JICA-Net is a distance Technical Cooperation modality promoted by JICA. JICA-Net uses a wide range of information and communication technologies, including those for providing remote lectures and seminars, creating multimedia-based learning materials, and using the website – JICA-Net Library – for archiving and utilizing the learning materials. By transcending time and distance restrictions, these activities improve the efficiency and quality of JICA projects.

JICA-Net was launched in response to the Japanese government initiative announced at the Kyushu-Okinawa Summit in 2000. Since then, the benefits provided by JICA-Net have come to be widely recognized along with the growing number of digital contents including multimedia-based learning materials, reference materials for distance lectures and seminars and the expansion of overseas video-conference network bases.

In fiscal 2012, the JICA-Net video-conference system was utilized approximately 6,100 times, with around 9,700 connection hours and over 65,000 participants in remote seminars and video-conferences. At present, the systems have been installed at 18 JICA offices in Japan, and in 74 foreign countries. In addition, the JICA-Net video-conference system can be used for setting multipoint video-conferences between JICA and external organizations. Especially with the Global Development Learning Network (GDLN) coordinated by the World Bank, JICA has been planning distance seminars and cross border event.

JICA-Net endeavors to disseminate remote Technical Cooperation through the following methods.

Remote Lectures and Seminars

As a means of enhancing the efficiency and effectiveness of project activity, JICA has held remote lectures and seminars via the video-conference system in the situations when it is difficult to dispatch Japanese experts or when JICA needs to hold a regional workshop for multiple countries simultaneously. For example, individuals from four Central and South American countries (Honduras, Bolivia, Dominican Republic and Colombia) participated in “the Region Focused Training Program on Study on Education Improvement of Training Courses for Teachers”. After finishing the training course in Japan, the video-conference system was used to keep the relationship between participants and to share the information gained through the regional activities. As in the case above, the JICA-Net video-conference system helps improving the efficiency and effectiveness of JICA projects.

Creating Multimedia-based Learning Materials

Multimedia-based learning materials consist of various types of data such as video, photographs, animation and text.

They are uploaded to JICA-Net Library and also packaged in CDs and DVDs to exploit knowledge and experience gained from JICA projects. The learning materials are used mainly in the JICA's Technical Cooperation projects (some of the materials are open to the public).

Until now, approximately 270 types of multimedia learning materials have been provided mainly in English, Japanese, French and Spanish. Furthermore, some of them are available in other languages as the need arises. They are used to disseminate knowledge and information about broad themes such as Japan's own experiences and successful projects in other countries. For Example, “IRODORI - Rural Community Empowerment through Exploring Local Resources” which introduces a rural community empowerment project in Kamikatsu-cho, Tokushima prefecture in Japan was produced in order to help learning a regional development method that exploits local resources. “IRODORI” originally created in Japanese, English and Spanish, has been translated into other languages such as Sinhala and Nepalese to spread knowledge to the people in developing countries.

Providing Digital Contents via JICA-Net Library

JICA-Net Library stores a wide range of multimedia-based learning materials and other digital contents such as reference materials for distance lectures and seminars in order to make them available to counterparts and partners of JICA activities across borders. The JICA-Net Library also introduces JICA's practices in the distance Technical Cooperation and effective use of JICA-Net video-conference system in the projects. (JICA-Net Library URL: <http://jica-net-library.jica.go.jp/>)

Extending Post-training Activities to Remote Areas Action Plan Progress Report by Training Program Participants after Returning Home Countries



Efforts toward the Global Environment

JICA is active in its efforts to address environmental problems, striving for a level of environmental conservation that envelops all of human life in concert with sustainable development. On April 1, 2004, JICA announced details of the Agency's Environment Policy as a first step toward the full-scale implementation of the Environmental Management System (EMS). As a part of its ongoing environmental endeavors, JICA's entire organization in Japan, including the head office, received ISO 14001 certification in fiscal 2005. Certification has been renewed afterward following annual inspections.

JICA has been implementing environmental activities which utilize the ISO 14001 framework, and these activities have become established as part of JICA's operations. As a result, JICA has made progress in the conservation of resources and energy and in other ways to lower environmental impact. In recent years, there have been even greater demands to properly fulfill social obligations such as compliance with environmental laws and regulations. In line with this trend, JICA needs to place even more importance on the conservation of resources and energy and compliance with laws and regulations. Therefore, JICA will switch to its own EMS after the expiration of the ISO 14001 certification on October 28, 2013 for the purpose of building a more efficient and effective EMS. The JICA EMS will facilitate even more environmental activities while still incorporating the fundamental principles of ISO 14001.

Environmental Policy

JICA places the utmost importance on efforts that incorporate concerns for the environment. This emphasis is the linchpin of its Environment Policy as follows;

Basic Principles

As stated in the Law on General Rules of Japan International Cooperation Agency, JICA's mission is to "contribute to the promotion of international cooperation and to the sound development of Japan and the international socioeconomy by contributing to the development or reconstruction of the economy and society, or economic stability of overseas regions which are in the developing stage," particularly to global environmental protection in compliance with environmental laws and regulations. Furthermore, in order to prevent and reduce negative environmental impacts resulting from JICA's activities, JICA will utilize an environmental management system and work continuously to improve it. The system will be based on the following policies:

(1) Promotion of environmental measures through international cooperation activities

Based on the Japanese government's Official Development Assistance (ODA) policies, JICA will promote cooperation

activities for the protection and improvement of the environment. JICA will continue to:

- ▶ Promote international cooperation and projects that contribute to environmental protection in developing countries;
- ▶ Make efforts related to climate change [➡ See page 89 (Global Environment and Climate Change)]; and
- ▶ Mitigate any adverse environmental impacts of development programs and projects in accordance with the guidelines for environmental and social considerations [➡ See page 140].

(2) Promotion of activities for general environmental awareness

With the aim of raising public awareness, JICA collects information about environmental issues. JICA will continue to:

- ▶ Carry out promotional and educational activities by introducing JICA's programs on environmental issues;
- ▶ Conduct surveys and research on environmental issues, and develop relevant proposals; and
- ▶ Implement continuous training through seminars and guidance programs for all employees and personnel engaged in JICA's activities.

(3) Promotion of environmentally friendly activities within JICA offices and other JICA facilities

JICA promotes environmental programs to reduce any negative impacts caused by its activities at offices and other facilities. JICA will continue to:

- ▶ Promote waste reduction, resource and energy conservation, recycling; and
- ▶ Procure environmentally friendly products based on the Law on Promoting Green Purchasing and other relevant laws and regulations.

(4) Compliance with environmental laws and regulations

JICA will consistently adhere to relevant environmental laws and regulations.

For details on other activities, please refer to the following website: http://www.jica.go.jp/english/operations/social_environmental/index.html

Public Relations Activities

JICA actively engages in wide-ranging public relations activities in Japan and abroad through its headquarters and domestic offices in Japan and over 90 overseas offices.

Public Relations Strategy and Achievements

To promote further understanding and participation in international cooperation, JICA actively disseminates information, such as global issues, its projects and the outcomes, and their impact in Japan, in a way that responds to the interests of a variety of people, including the general public as well as researchers, the media, business persons and others in Japan.

For the general public, JICA distributes information on an issue basis. The goal is to promote an understanding of the importance of international cooperation and results of this cooperation. To accomplish this goal, JICA uses its website and stories about subjects such as the global agenda, how the project addresses global issues, how JICA is going to implement projects to tackle issues, and what the project outcomes are. A quarterly magazine in English and a monthly magazine in Japanese contain a special feature about global trends and upcoming international conferences. In addition, the number of projects in the “ODA mieruka site” (website for visualization of ODA), which presents information including photos of ODA projects, was significantly increased. This makes public information on ODA projects even easier to understand.



JICA website



“ODA mieruka site” (website for visualization of ODA)

Moreover, JICA utilized the Fifth Tokyo International Conference on African Development that was held in June 2013 to provide information about business opportunities in Africa to Japan’s business community. JICA set up a website in cooperation with a private business magazine company for a special report about Africa. This site uses streaming video to provide “live” information about current situations and issues in Africa, the outcomes of Japanese ODA projects, and opportunities for Japanese companies in that area.

In response to the growing number of methods such as SNS for acquiring information, JICA is using Facebook, Twitter, YouTube, Ustream and other media to distribute information. Using these channels made it possible to give even more people access to information about JICA’s activities.

For the media, JICA’s headquarters and domestic/overseas offices issue press releases in a timely manner. In addition, JICA organizes media seminars to provide information regarding the current trends of Japanese ODA based on media interests. Furthermore, JICA provides opportunities for Japanese and overseas media to observe ODA programs implemented in developing countries and training courses conducted in Japan.



JICA's World (a monthly magazine in Japanese)



JICA's World (a quarterly magazine Arabic edition)

Several international conferences took place in Tokyo in fiscal 2012. For instance, there were conferences such as the Sixth Pacific Islands Leaders Meeting (PALM), the Tokyo Conference on Afghanistan and the World Bank IMF General Assembly. JICA’s activities are very closely associated with these conferences. JICA used its website and publications to provide information in a format that is even easier to understand about projects, international conferences and other subjects.



Visitors hear an explanation of a water purification unit that is combined with a bicycle.

In fiscal 2012, JICA invited 15 individuals from media companies in 10 countries to Japan to find out how Japanese technology contributes to solving issues in developing countries. The visitors saw Japan's advanced operating and management techniques for expressways, railways and other infrastructure components. They also interviewed people at SMEs in Japan that are aiming to both solve issues of developing countries and start overseas operations.

For opinion leaders in the media, academia, business sector and other fields, JICA issued a special edition of a magazine to explain the significance and importance of international cooperation for Japan. This edition contains a story about global human resources development.

For the overseas audience, JICA is strengthening its information dissemination through its website and English magazines. In fiscal 2012, the Arab Spring feature section of the English magazine was translated into Arabic and widely distributed.

Public Relations Initiatives of Domestic and Overseas Offices

JICA offices in Japan and overseas conducted a variety of public relations initiatives in fiscal 2012.

When the Tokyo Conference on Afghanistan took place in July 8, 2012, JICA's headquarters, Afghanistan Office and branch offices in Japan worked together to conduct public relations activities. From late May to the middle of June, various events were held throughout Japan to conduct outreaching activities to the public about this conference. In addition, JICA incorporated Afghanistan feature articles in its website and publications and issued a brochure called "Afghanistan & JICA." This activity was structured to cover issues in Afghanistan and assistance provided by JICA. Furthermore, JICA Research Institute published "Afghanistan and Japan: Working Together on State-Building and Development." The book explains the human side of projects in Afghanistan, such as activities of experts in the country who are working on the revitalization of Afghanistan. JICA distributed the book to prominent individuals in this field and the public. Starting in the middle of June there was a seminar for reporters and prominent individuals and others. Prior to the conference, there was a symposium for the public and the support to collect news materials for the Japanese media in Afghanistan. Overall, JICA used many methods to distribute information about the conference.

JICA Official Supporter

The purpose of JICA Official Supporters is to share with the public stories on how JICA's cooperation helps solve various issues in developing countries. A professional tennis player Kimiko Date-Krumm, Go Kitazawa, a former member of the Japan national soccer team, and Naoko Takahashi, the women's marathon gold medalist at the Sydney Olympic Games, are assigned as Official Supporters and at work.



Children in El Salvador learn about disaster prevention and responses.

Mr. Kitazawa, who was a key player of Japan national football team, has visited more than 20 developing countries. In fiscal 2012, he went to Timor-Leste, which became independent in 2002. He saw agricultural assistance concerning rice production technologies and agribusiness for processing the country's large volume of coconuts to make products. During the stay, Mr. Kitazawa also held his usual soccer classes to interact with children. His visit was covered by news reports in Japan.

Ms. Takahashi, who is the gold medalist of a marathon, went to El Salvador and Nicaragua, her first visit to Latin American countries. She visited projects concerning damage from hurricanes and other natural disasters, prevention and treatment of Chagas disease, and other issues that both countries confront. She also saw the activities of Japan Overseas Cooperation Volunteers (JOCV) involving the rehabilitation of street children in society, environmental education, midwives and many other fields. The visit helped give her a better understanding of the activities of these volunteers. In Nicaragua, a marathon event was held in which Ms. Takahashi ran with about 200 children. She held hands with some children as she ran and cheered on the children until the last one finished, creating strong bonds with the children.

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Children enjoying a marathon in Nicaragua



Mr. Kitazawa views a rice growing project.

Information Disclosure

In addition to those items identified in each of the following sections, JICA discloses information through its website and other means in accordance with Article 22 of the Law Concerning Access to Information held by Incorporated Administrative Agencies, Etc. (Law No. 140 of December 5, 2001).

Information Related to the Organization

Objectives, overview of operations, relationships with Japanese government programs; overview of organization; laws and regulations; standards for officer salary and retirement allowances; standards for employee salaries and retirement allowances; business continuity plan; etc.

Information Related to Operating Activities

Operating reports; project performance reports; mid-term objectives; mid-term plans, annual plans; etc.

Information Related to Financial Standing

Financial reports, etc.

Information Related to the Evaluation and Audit of the Organization, Operating Results and Financial Standing

Operating result evaluation documents; audit reports of auditors; audit opinions of auditors; internal audit reports; administrative evaluations and supervisory reports; accounting audit reports; etc.

Information Related to Procurement and Agreements

Information related to discretionary contracts; bidding status lists; etc.

Information on Related Entities

Funding activity recipient details; the status of related public-interest corporations; etc.

For More Information

For additional information, please refer to the Japan International Cooperation Agency website.

Information Related to Disclosure

Japan International Cooperation Agency "Home" page ➡ Information Disclosure

[URL](http://www.jica.go.jp/disc/index.html) <http://www.jica.go.jp/disc/index.html> (Japanese only)

Information Related to the Protection of Personal Information

Japan International Cooperation Agency "Home" page ➡ Privacy Policy

[URL](http://www.jica.go.jp/english/policy/index.html) <http://www.jica.go.jp/english/policy/index.html>

Information Disclosure

Type or request medium	(Reference)					Total
	FY2012	FY2011	FY2010	FY2009	FY2008	
Postal mail	17	4	20	8	27	76
Contact points	Headquarters	7	13	13	24	103
	Domestic offices	0	0	0	0	0
Forwarded from other organizations	0	0	0	0	0	0
Total	24	17	33	32	73	176

Information Disclosure Determination

*Figures in parentheses represent the number of decisions assumed by JBIC

Category	(Reference)					Total	
	FY2012	FY2011	FY2010	FY2009	FY2008		
Completed Disclosure determination measures taken	Full disclosure	0	1	3	5	11	20
	Partial disclosure	20	14	20	24	54	132
	Information not disclosed	0	1	9	2	6 (2)	18
	Withdrawn	0	1	1	1	0	3
	Forwarded in full to other organizations	0	0	0	0	0	0
Total	20	17	33	32	71	173	
Total including portion assumed by JBIC					73		

- Notes: 1. This table outlines the manner in which requests for information disclosure, including those forwarded from other organizations, were handled on an individual request basis.
 2. Figures recorded under "Forwarded in full to other organizations" indicate the number of requests for information disclosure forwarded in full to other organizations in accordance with Article 12 or Article 13 of the relevant law. Cases in which a request was divided and forwarded to multiple administrative organizations have been counted as a single request. Cases in which a request for information disclosure was partially forwarded to other organizations have not been recorded under "Forwarded in full to other organizations;" the portion that was not forwarded to other organizations is recorded as one request under "Disclosure determination measures taken," "Withdrawn" or "In progress."
 3. Figures recorded under "Withdrawn" represent the number of requests for information disclosure withdrawn by the requesting party following initial receipt by JICA, resulting in completion with no decision made as to the disclosure of information. This does not include requests not fully recorded, such as information disclosure requests withdrawn by the requesting party following the provision of information during the request recording process.
 4. The table does not include one incident (classification: unreleased) which was handled jointly with the Japan Finance Corporation (JFC), involving the reorganization of the Japan Bank for International Cooperation (JBIC) on October 1, 2008.

Compliance

Compliance Policy

- (1) JICA shall improve transparency and fairness in its management of both operating and financial activities in order to secure trust from the people of Japan as an incorporated administrative agency.
- (2) JICA shall ensure its credibility in the global society by contributing to sound development of the international community through development assistance.
- (3) JICA shall satisfy the needs of developing countries and provide flexible and high quality services.
- (4) JICA shall respect natural and social environments in the performance of its operations.
- (5) JICA shall communicate widely with society to maintain a transparent organizational climate.

JICA bears heavy social responsibilities and is charged with a public mission as an incorporated administrative agency. In order to discharge this social responsibility while responding to the expectations of the general public and the international community, as well as in light of changes in the environment surrounding JICA such as administrative and ODA reform, it is becoming increasingly important to ensure transparency and fairness of its operational management in accordance with laws, internal regulations and social norms. Accordingly, strengthening compliance is necessary to ensure that operations are thoroughly conducted along the lines mentioned above.

Based on this awareness, JICA has identified compliance as the highest priority management issue to be addressed by the organization, and is working to practice compliance based on the behavioral principles that are prescribed in the above compliance policy.

Specifically, in addition to audits conducted by inspectors and accounting auditors based on the Act on General Rules for Incorporated Administrative Agencies, an Office of Audit, independent of other departments, oversees internal auditing directly under the control of the President in carrying out regular audits, thereby working to ensure that JICA operations are conducted in an appropriate and efficient manner.

Furthermore, an accident report system and whistleblower report system have been established for the purpose of preventing violations of laws and internal regulations and properly responding as the entire organization to violations, as well as contributing to preventing the reoccurrence of violations. Also, in order to deliberate and consider various issues related to compliance, the Compliance Committee, which is chaired by the Senior Vice-President, is held regularly. Through these

efforts JICA endeavors to position itself to abide by and put into action its compliance policy and ensure fairness in its management operations.

JICA has also distributed a compliance manual to all of its officers and staff. This manual identifies, organizes, and systematizes those compliance policies, laws, rules, and social demands that must be observed in an easy-to-understand manner in addition to serving as a guide to behavior for staff.

Based on these platforms and compliance programs determined by the Compliance Committee, JICA conducts activities in each fiscal year for the purpose of firmly establishing an organizational framework for compliance at JICA.

In fiscal 2012, based on the ordinances established by all of Japan's prefectures to combat organized crime, JICA has established the JICA Rules for Responses to Anti-social Forces. These rules reject any relationship with anti-social forces and enable JICA to fulfill its social obligations. To make these rules function in its activities, JICA reflects them in its contracts and other agreements.

Furthermore, responding any new issues involving compliance, through a variety of activities such as training programs based on the duties and roles of all executives and officers, JICA improves each individual staff member's compliance awareness.

Guidelines for Environmental and Social Considerations

JICA's Guidelines for Environmental and Social Considerations

A project aiming for social and economic development nevertheless may involve a risk of causing negative impacts on the environment including air, water, soil, or ecosystem as well as negative impacts on society such as involuntary resettlement or infringement of the rights of indigenous peoples. In order to achieve sustainable development, the project's impacts on the environment and society must be assessed and means and costs to avoid, minimize or compensate for those impacts must be integrated into the project itself. This internalization of environmental and social cost into the development cost is the gist of Environmental and Social Considerations (ESC). JICA's Guidelines for Environmental and Social Considerations (ESC Guidelines) is a guide that sets forth JICA's responsibilities and required procedures, together with obligations of partner countries and project proponents, in order to put ESC into practice.

The current ESC Guidelines (2010) integrates JICA's former ESC Guidelines (2004) and Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations (2002), and covers Technical Cooperation, Loan Aid and Grant Aid. The ESC Guidelines (2010) applies to projects that were proposed on and after July 2010*.

The ESC Guidelines, in languages including English, Chinese, French, and Spanish, as well as related documents such as Frequently Asked Questions are available on JICA's website. (http://www.jica.go.jp/english/operations/social_environmental/guideline/index.html)

*For projects requested before July 2010, either JICA's former ESC Guidelines (April 2004) or JBIC's 'Guidelines for Confirmation of Environmental and Social Considerations' (April 2002) applies, depending of the scheme.

Application of the ESC Guidelines

JICA's partners, including host countries, borrowers and project proponents (herein referred to as "project proponents etc."), bear the primary responsibility for ESC. JICA's role is to examine the ESC undertaken by the project proponents etc. in their development projects and to provide necessary support to ensure that the appropriate ESC are put into practice and that adverse impacts are avoided or minimized to an acceptable

level. Procedures taken by JICA include the following:

1. Confirmation of ESC

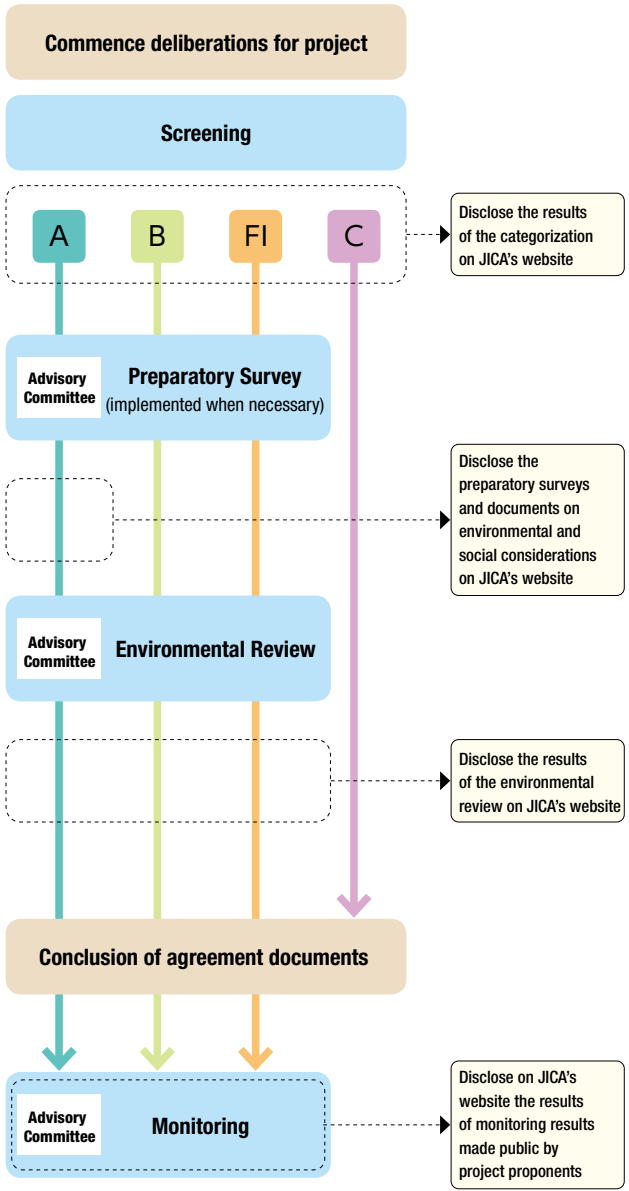
JICA examines and confirms that the ESC is put into practice by the project proponents etc. at various stages of the project including formulation, review, implementation, and post evaluation. JICA's procedure consists of three processes: Screening in which projects are classified into four categories based on the magnitude of their potential impacts; an Environmental Review in which JICA examines and evaluates the ESC during the review of a project proposal; and Monitoring in which JICA follows up on ESC activities for a certain period of time including the post-completion stage.

Screening is a process in which JICA classifies the project into one of four Environmental Categories based on the magnitude of its impacts inferred from information supplied by the project proponents etc. The categories are: A (likely to have significant adverse impacts), B (potential impacts are less adverse than A), C (minimal or little impact), and FI (JICA provides fund to a financial intermediary where sub-projects could not be identified prior to JICA's approval). JICA then follows the ESC procedures set by the ESC Guidelines in accordance with the category of the project.

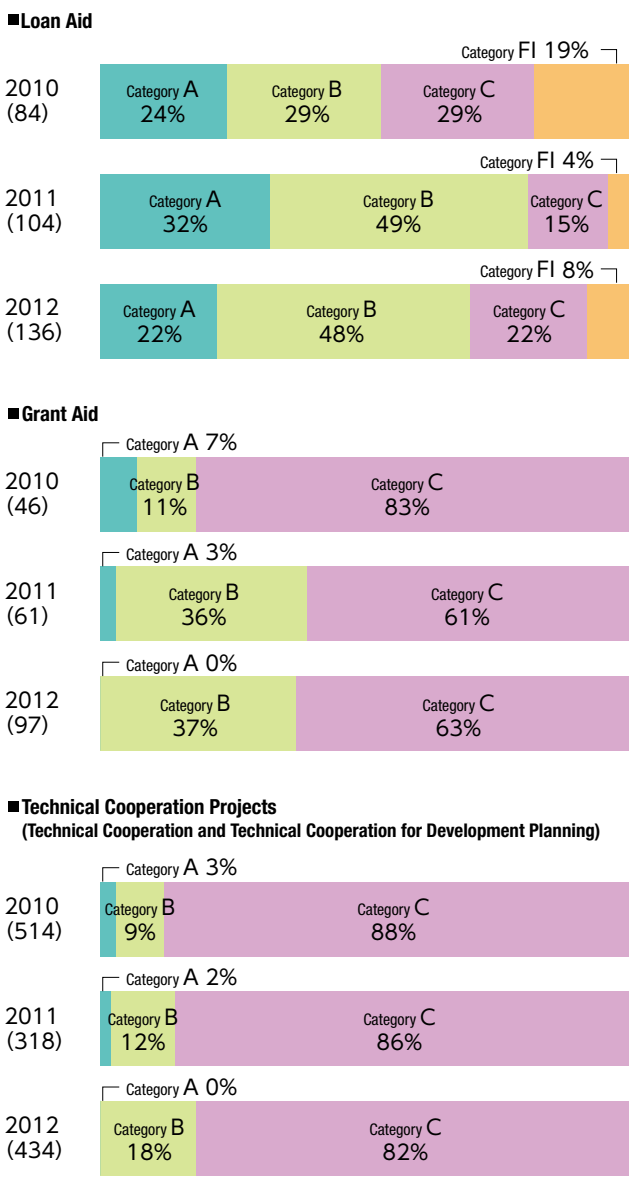
Environmental Reviews is a process in which JICA reviews the ESC of the proposed Loan Aid, Grant Aid, and Technical Cooperation projects. In Environmental Reviews, JICA confirms the possible environmental or social impacts together with countermeasures taken by the project proponents etc., through examination of documents including an environmental impact assessment (EIA) report and Environmental Checklist that indicates the state of ESC, which are provided by the project proponents etc. For category A projects, JICA holds a discussion with the project proponents etc. to confirm the positive and negative impacts of the project based on EIA report and other documents related to ESC. Then JICA evaluates the proposed measures for avoidance, minimization, mitigation, or compensation for the adverse impacts, as well as measures to enhance the positive impacts on the environment and society. JICA secures the transparency of the Environmental Review by disclosing relevant documents including the EIA report on its

Environmental Categories	
Category	Description
A	Project that is likely to have significant adverse impacts on environment and society. For example, a large-scale project in a sector that requires special attention such as energy development and infrastructure development, or a project in a sensitive area such as a nature reserve or a living sphere of indigenous people.
B	Project whose impacts on the environment and society are less adverse than that of category A.
C	Project that has a minimal or virtually no impact on the environment and society.
FI	Project in which JICA funds the financial intermediary or executing agency that selects its sub-projects after JICA's approval of the funding, and therefore JICA cannot assess the ESC of each sub-project prior to its approval. Such projects are classified as FI if the sub-projects are likely to have a considerable impact on the environment and society.

Flowchart for Environmental and Social Consideration Procedures



Category Composition Trends



*Figures in parentheses denote the number of agreement documents concluded.

website prior to the process.

Monitoring for ESC is carried out by the project proponents etc. JICA confirms the result of monitoring for a certain period of time that covers the implementation stage and post-completion stage, and discloses the results on JICA's website. If any issue is identified or anticipated, JICA urges the project proponents, etc. to devise appropriate countermeasures and provides necessary support.

2. Reinforcement of ESC

JICA provides various assistance to partner countries to ensure that appropriate ESC is put into practice. For example, in the planning stage of a project JICA may provide assistance for the survey and other procedures related to ESC within its Preparatory Survey or Detail Design. JICA also enhances the capacity of the partners in ESC through a Training and Dialogue Program including the Workshop on Administration of Environmental and Social Considerations Process for Implementation of a JICA ODA Loan Project and Technical Cooperation Projects such as Capacity Enhancement of Environmental and Social Consideration for Resettlement implemented with Cambodia's Ministry of Economy and Finance and Inter-ministerial Resettlement Committee.

JICA reinforces Japan's capacity on ESC in international development by conducting training courses for government officials and consultants, such as New ESC for Public Officers and Consultants. To strengthen its organizational capacity on ESC, JICA is compiling and updating a series of country profiles focused on environmental and social issues, which are designed to optimize the ESC procedures of JICA and its partner countries. In addition, JICA actively engages in dialogues and shares information regarding ESC with development partners including the World Bank and Asian Development Bank.

3. Advisory Committee for Environmental and Social Considerations

The Advisory Committee for Environmental and Social Considerations has been established by JICA as an independent council that advises JICA on its examination and support of ESC. The committee consists of external experts in the relevant field who were impartially selected following a public advertisement. Twenty three committee members were appointed after the reelection in July 2013, and their term extends until June 2014. Provisional members will be appointed

according to the needs.

During fiscal 2012, 12 plenary meetings were held as well as 27 meetings of a Working Group, which is a group of committee members assigned by the plenary meeting to investigate a particular project.

In March 2013, JICA arranged a site visit for the committee members so that they can provide advices based on firsthand information on the local situation. It is a part of JICA's effort to further improve the quality of its project.

The list of the committee members and the minutes of plenary meetings (in Japanese) are available on JICA's website. (<http://www.jica.go.jp/environment/advice/index.html>)

4. Objection Procedures

In addition to the measures mentioned above, JICA has established the Objection Procedure as a fail-safe mechanism to ensure its compliance with the ESC Guidelines. By following this procedure, a resident or its agent of the partner country who is affected or is likely to be affected by the project due to JICA's non-compliance with the ESC Guidelines can file an objection with JICA. Contents of the objection will be reviewed by the Examiners who are independent of the Operational Department of JICA. Examiners inspect the facts relating to compliance or non-compliance with the ESC Guidelines and report the findings to JICA's president. If a problem or a dispute is identified as a result of JICA's non-compliance with the ESC Guidelines, Examiners will encourage a dialogue between the Requester (person who raised the objection) and the project proponents, etc. As of March 2013, the Examiners appointed by JICA are as follows:

- Mr. Junji Annen
Professor, Chuo Law School, Attorney-at-law
- Dr. Sachihiko Harashina
Professor of Faculty of Policy Informatics, Chiba University of Commerce, Professor Emeritus of Tokyo Institute of Technology

Documents providing an outline of Objection Procedures and the annual reports of the Examiners are available on the Objection Procedures page of JICA's website at: http://www.jica.go.jp/english/operations/social_environmental/objection/index.html

No objection was received in fiscal 2012.

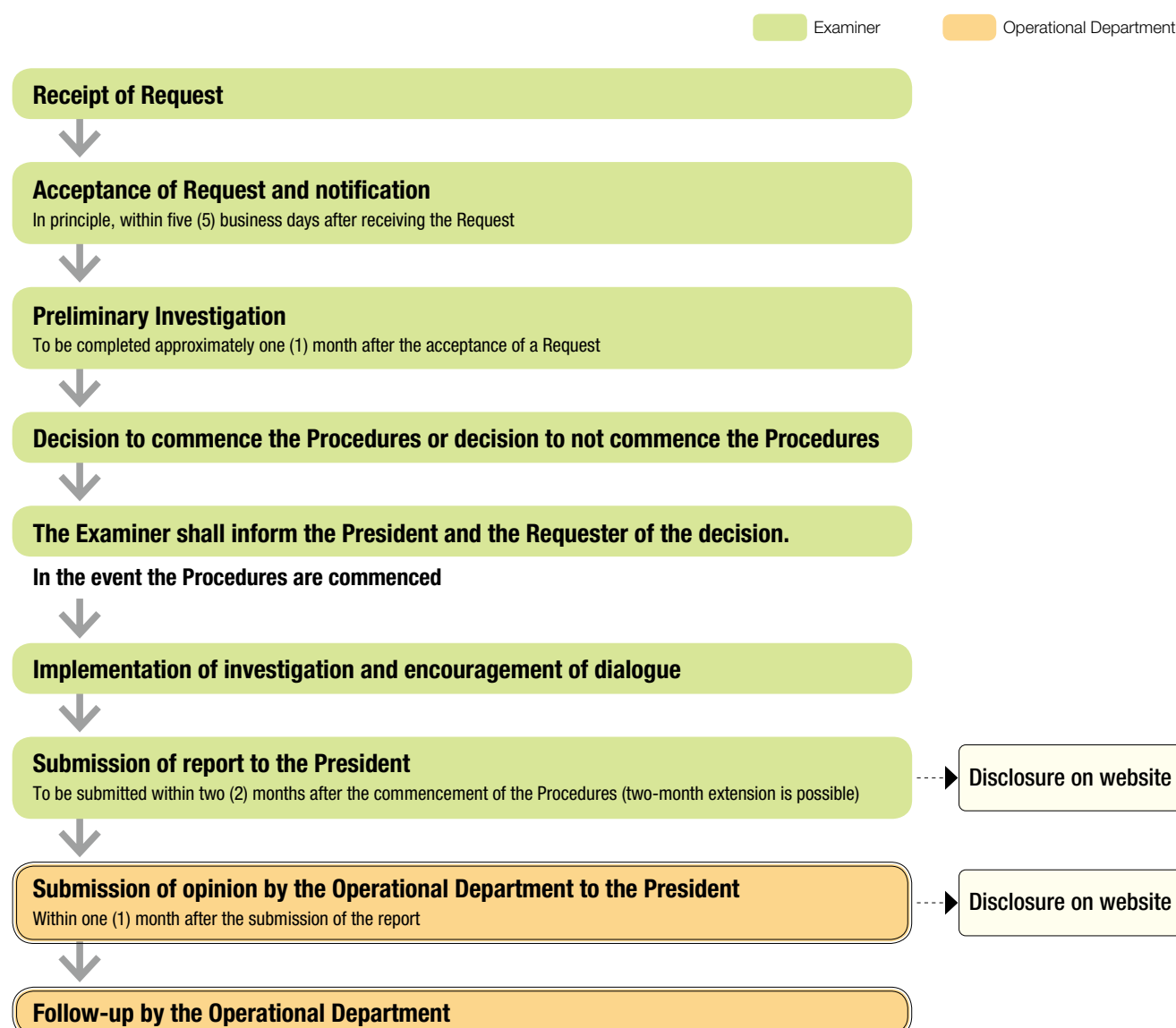
5. Information Disclosure

In order to maintain its accountability and transparency, JICA actively discloses information on ESC. Project proponents, etc. are primarily responsible for the disclosure of information regarding the project's ESC, but JICA also supports this process by disclosing key information with appropriate timing and the proper format as described in ESC Guidelines. For example, under the new ESC Guidelines (2010), JICA has disclosed the EIA reports of all category A projects on its website. JICA also disclosed Resettlement Action Plans of the projects that involved large scale involuntary resettlements. This information, as well as information about the Objection Procedure, is available on the Environmental and Social Considerations page in JICA's website. (http://www.jica.go.jp/english/operations/social_environmental/index.html)

6. Harmonization with Other Development Partners

ESC Guidelines state that JICA' projects must not deviate significantly from the World Bank's Safeguard Policies, and that JICA should refer to the internationally recognized standards and good practices, including that of the international financial organizations, when appropriate. To this end, JICA actively seeks harmonization of its ESC procedures with procedures of development partners, including the World Bank and Asian Development Bank by maintaining close coordination and engaging in a joint mission on ESC in projects that are co-financed by other development partners. JICA also participates in international conferences and other events concerning ESC to keep up to date with global trends and to share its experiences, thus contributing to the improvement of the overall ESC.

Objection Procedures Flowchart



Risk Management of Finance and Investment Account

The operations of financial institutions involve various risks, including credit risk, market risk, liquidity risk, operational risk and other risks. As a government agency, JICA conducts financial operations to achieve policy objectives. Thus, the nature as well as the extent of risks in JICA's operations and the ways to deal with them differ from the risks and countermeasures at private financial institutions. Nonetheless, it is essential for JICA to have appropriate risk management just as at a financial institution. In line with the global trend among financial institutions and regulators of increasingly focusing on risk management, JICA is constantly improving its risk management of the Finance and Investment Account.

More specifically, risk management of the Finance and Investment Account is positioned as a managerial issue that needs to be addressed systematically by the entire organization. JICA has thus adopted a risk management policy for its operations. Under the policy JICA identifies, measures and monitors various risks. The objective of this policy is to ensure sound and effective operations and to earn returns commensurate with risks. JICA has established Risk Management Committee for Finance and Investment Account that examines important issues related to integrated risk management.

JICA manages various risks associated with Finance and Investment operations as follows.

Credit Risk

Credit risk refers to the potential loss from difficulties or failure to recover credit assets due to the deteriorating financial condition of a debtor. The main area of Finance and Investment operations, which consist of ODA Loans and Private Sector Investment Finance, is lending. Consequently, the control of credit risk is a major part of JICA's risk management. Given the very nature of financial support for external economic transactions and overseas economic cooperation, JICA extends loans to foreign governments and government agencies. Therefore, sovereign risk makes up a considerable part of the credit risk that accompanies ODA loan operations. JICA, as an official financier, evaluates sovereign risk by making full use of information gathered through communication with the governments and relevant authorities in the recipient countries, multilateral institutions such as the International Monetary Fund (IMF) and the World Bank, other regional and bilateral donor organizations, and private financial institutions in developed countries. Private Sector Investment Finance, which was resumed in the current fiscal year, involves both the corporate risk accompanying the credit extended to companies and country

risk arising from changes in the foreign currency situation or political and economic condition of the country in which the company is located.

1) Credit Rating System

JICA has established a credit rating system as part of the organization's operating procedures that is to cover all the borrowers in principle. Credit ratings are the cornerstone of credit risk management, being used for conducting individual credit appraisals and quantifying credit risks. Credit ratings are divided into two categories: sovereign borrowers and non-sovereign borrowers. A different credit rating system is used for each category. Ratings are subsequently updated as appropriate.

2) Self-Assessment of Asset Portfolio

JICA performs self-assessments of its loan portfolio to properly reflect the characteristics of its assets based on the Financial Inspection Manual prepared by Japan's Financial Services Agency. The purposes are to manage credit risk and to implement write-offs and loan loss provisions in a proper and timely manner. To ensure an appropriate checking function, in this process, the first-stage assessment is conducted by the relevant departments in charge of lending and investment and the second-stage assessment is conducted by the credit risk analysis department. The results of self-assessments conducted on the asset portfolio are not only used internally for the continuous monitoring of the loan asset portfolio but also reflected in the disclosure of asset quality to enhance the transparency of JICA's financial position.

3) Quantifying Credit Risk

In addition to individual credit risk management, JICA is working on quantifying credit risks with a view to evaluating the risk of the overall loan portfolio. To do that, it is important to take into account the characteristics of JICA's loan portfolio, a significant proportion of which consists of long-term loans and loans to foreign governments and government agencies. Also, JICA takes into account multilateral mechanisms for securing assets such as the Paris Club which is a unique framework for debt management by official creditor countries. By incorporating these factors in the credit risk quantification model, JICA measures credit risks and utilizes it for internal controls.

Market Risk

Market risk refers to the potential losses incurred through changes in the value of assets and liabilities caused by fluctuations in foreign

currency exchange rates and/or interest rates. In the context of potential losses stemming from changes in market interest rates, JICA bears risks due to the characteristics of its financing activities, which are conducted over terms that can reach up to 40 years. In this regard, JICA is enhancing its capacity to absorb interest rate risk by using capital injections from the General Account Budget of the Japanese government. Furthermore, interest rate swaps are carried out exclusively for the purpose of hedging interest rate risk. In order to control counterparty credit risk of interest rate swaps, the market value of transactions and credit worthiness of each counterparty are constantly assessed and collateral is secured when necessary.

JICA does not extend foreign currency-denominated loans but, with the introduction of the Japanese ODA loan with Currency Conversion Option in the current fiscal year in response to the requests from borrowers, currency risk arises from the conversion of yen-denominated loans into foreign currency-denominated loans. Consequently, currency risk is hedged through currency swaps. Moreover, when foreign currency-denominated investments are extended in Private Sector Investment Finance, currency risk is assumed in connection with the valuation of investments. JICA manages this currency risk through regular and continuous monitoring of exchange rate fluctuations in the currency of the country in which the counterparty is located.

Liquidity Risk

Liquidity risk refers to risk of having difficulty securing sufficient funds due to a deterioration of JICA's credit or to an unexpectedly large increase in expenditures or an unexpectedly large decrease in revenues.

JICA uses many measures to avoid liquidity risk through management of its cash flow. This includes efforts to secure multiple sources of funds such as Agency Bonds and borrowing under Fiscal Investment and Loan Programs.

Operational Risk

Operational risk refers to potential losses incurred from work processes, personnel activities, improper systems, or other external events. For JICA, this refers to risks that stem from its operations, systems and internal or external misconduct. JICA manages the operational risk as part of the efforts to promote its compliance policy.

Security Management

Developing countries are commonly confronted by poverty issues, which lead to increased crimes. Some countries face the risk of a coup d'état caused by political instability or some suffer from long-running civil wars.

In some cases peacebuilding activities are required in post-conflict countries where it is politically unstable and face numerous security issues. Moreover, there are also regions around the world where there is the threat of terrorism. Additionally, there is a high risk of traffic accidents due to inexperienced local drivers and underdeveloped transportation infrastructure where traffic customs differ from those in Japan.

In this regard, JICA gives high priority to security measures and risk management to support personnel engaged in JICA activities to act and work safely.

Security Training and Seminars

JICA conducts security training before dispatching people engaged in JICA activities, including experts, volunteers and their families. Training focuses on prevention and emergency response to crimes such as region-specific crime, the selection of housing, dealing with local residents and the protection of valuables as well as hold-ups or car-jackings.

A security briefing is organized for newly posted arrivals by JICA overseas offices. It is focused on information on current security conditions and crime prevention measures. Led by JICA's overseas offices, affiliated personnel convene a Security Meeting at least once a year to share pertinent experiences and provide information on local security. These meetings enable individuals living and working in the same environment to share their practical expertise with security measures gained through day-to-day experiences.

Stationing of Security Advisors

To reinforce local safety measures, JICA assigns personnel with public security expertise as "security advisors." These advisors collect and distribute public security information, and have the responsibility of dealing with such wide-ranging incidents as residential crime and traffic accidents. Security advisors use their extensive knowledge of both local crime patterns and Japanese behavior patterns to provide appropriate guidance on safety.

In countries without overseas offices, JICA may assign personnel to collect local information.

Establishment of Emergency Contact Networks

In each country of operation, JICA establishes communication systems that encompass all

relevant personnel in the event of an emergency by means of telephones, mobile phones, satellite phones and radio equipment. Because information exchange and confirmation are essential in emergency situations, JICA positions its emergency contact networks as a vital pillar of its safety measures.

Dispatch of Security Advice Missions

For countries with particular safety issues, JICA dispatches security confirmation missions to assess local conditions, and to then examine specific safety measures. For example, in responding to aid needs, JICA analyses the region-by-region public security conditions in a particular country and then makes appropriate decisions on the range of JICA personnel activities.

In countries with high crime rates, JICA dispatches a security advisory mission to provide direct safety guidance to locally stationed personnel. Among other topics, the guidance covers residential crime prevention and how to deal with armed crime.

With traffic safety measures, JICA prepares various instruction manuals and distributes these to affiliated people. JICA also regularly publicizes information on traffic accidents in various countries and works to foster an awareness of safety. In response to local requests, JICA dispatches investigation teams to provide instruction on traffic safety.

Bearing the Expense of Crime-Prevention

JICA bears such expenses as alarm systems, the hiring of guards and the installation of crime prevention equipment for the residences of its experts and volunteers. For example, JICA may arrange for the construction of raised fences, the installation of steel gratings, the reinforcement of doors and window frames, the replacement of locks and the installation of auxiliary locks as and when considered necessary.

24-Hour Crisis Management

JICA's Headquarters remains on a 365-day, 24-hour standby status to respond to overseas emergency situations.

Anti-Terrorism Measures

The steady increase in the number of countries and regions prone to terrorism is a cause for concern. In particular, there has been an increase in large-scale terror incidents perpetrated by international terrorist organizations in recent years. Previously, acts of terror have targeted U.S. and European interests in the Middle East, South Asia and Africa, but Japan could become a target of terrorism in the future. Consequently,

JICA strives to instill an awareness of terrorism among JICA personnel in high-risk regions to help them avoid risk. These efforts include briefing personnel about specific precautions for avoiding involvement in a terrorist incident on such occasions as pre-dispatch training and post-arrival orientation.

Security Measures in Reconstruction Assistance Activities

JICA conducts programs in post-conflict countries or countries with ongoing conflicts such as Afghanistan, Iraq, eastern Democratic Republic of the Congo, Darfur region of Sudan, South Sudan and Pakistan. Taking note of the measures employed by United Nations organizations and other agencies active in the relevant region, JICA routinely monitors volatile political and public security situations, carefully surveys regions of activity and deploys necessary safety equipment such as radios and armored cars in the ongoing conduct of its projects. As JICA increases its participation in peacebuilding and in reconstruction assistance projects, a focus on such safety measures and a high state of readiness become ever more vital.

Given the ever-present danger of such unpredictability events as kidnappings, coup d'états and riots and terrorism, practical know-how in dealing with crisis situations is essential. To that end, JICA has been conducting Security Risk Management Training both in Japan and overseas in conjunction with the United Nations High Commissioner for Refugees (UNHCR) e-Centre since 2003.

Performance Evaluation System

JICA, as an incorporated administrative agency (IAA), is required to deliver its administrative services steadily by improving and ensuring quality, efficiency and transparency. To this end, the Act on General Rules for Incorporated Administrative Agencies identifies the mechanism for medium-term objective management and third-party evaluations.

JICA develops its Mid-term and Annual Plans under the five-year Mid-term Objectives set by the Minister for Foreign Affairs of Japan. JICA also compiles a performance report on its operations and management every fiscal year and at the end of its Mid-term Objective period, along with a self-evaluation and submits it to the Ministry of Foreign Affairs' Evaluation Committee for Incorporated Administrative Agencies (MOFA-ECIAA). MOFA-ECIAA evaluates the performance of JICA's operations and management. Evaluation results are made public on MOFA's website. Cross-cutting secondary evaluations are undertaken by the Ministry of Internal Affairs and Communications' Commission on Policy Evaluation and Evaluation of Incorporated Administrative Agencies (MIC-CPIAA). MIC-CPIAA assesses the evaluation results concluded by the individual ECIAA of various government ministries. At the end of the Mid-term Objective period, MIC-CPIAA reviews the necessity of each IAA's operations, organization and operating portfolio, and then makes recommendations to the relevant minister in charge (for JICA, the MOFA).

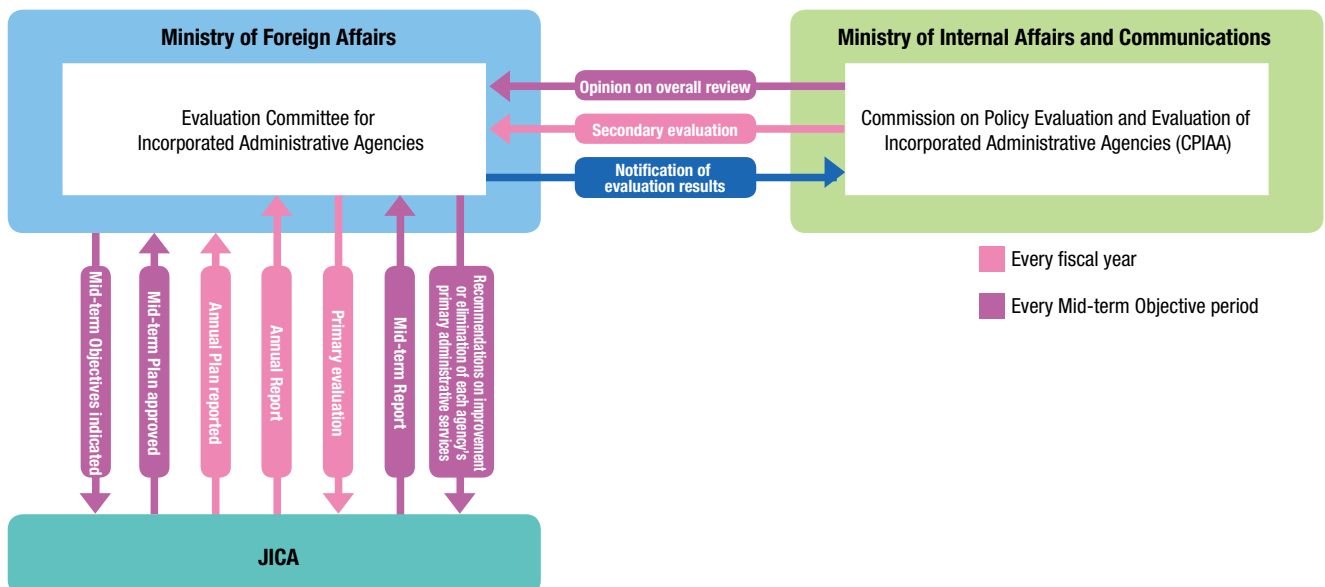
JICA strives to achieve toward its Mid-term Plan and Annual Plans and monitors its progress every six months. Additionally, an Advisory Committee on Performance Evaluation is set up within JICA where external experts examine and discuss JICA's performance and seek ways to improve the quality and efficiency of JICA's operations. The findings of these monitoring

activities are reflected in JICA's operations along with the evaluation results from MOFA-ECIAA and MIC-CPIAA. Through these processes, JICA takes consistent measures to improve its operations and management.

The Third Mid-term Plan (fiscal 2012 to fiscal 2016), highlights JICA's operational efforts, such as 1) addressing issues like poverty reduction, sustainable economic growth, global issues and peacebuilding, aligning with the Japanese government's priority issues for development cooperation, 2) promoting the program approach that implements Technical Cooperation, Loan Assistance and Grant Aid in a comprehensive manner, 3) enhancing its project designing ability and its information transmission capacity, and 4) building more partnerships with organizations in Japan and overseas. Along with these operational efforts, JICA will continue to take steps to enhance the efficiency of the organization, operations and operating expenses.

To accomplish the goals of the Third Mid-term Plan, JICA's Annual Plan for fiscal 2013 focuses on 1) formulating strategic programs as well as producing JICA analytical papers and utilizing them, 2) reinforcing systematic accumulation, utilization, and dissemination of knowledge, and 3) strengthening partnerships with various actors in Japan and other countries. JICA is also firmly dedicated to improving fairness and flexibility of organizational and operational management, suitability of procurement procedures, and the efficiency of administrative costs.

Framework for Performance Evaluation and Operational Management Review



Operations Evaluation

JICA uses the plan-do-check-action (PDCA) cycle to conduct evaluations of all projects and programs, including Technical Cooperation, ODA Loans and Grant Aid. JICA's evaluation utilizes a common framework that encompasses the pre-implementation, implementation, post-implementation and feedback stages, while reflecting the features of each aid scheme such as the assistance period and timeframe for expected results. By conducting evaluations at each stage of the PDCA cycle, JICA aims to improve the development results of the operations.

Table 1: The PDCA Cycle

Ex-ante evaluation	Mid-term review	Terminal evaluation	Ex-post evaluation	Ex-post monitoring	Feedback
Prior to project implementation, the relevance, details and expected outcome of the project along with evaluation indicators are examined.	Examines the relevance of the plan, progress of the project, attainability of the goal, and internal and external factors influencing the project.		After the completion of the project, the relevance, effectiveness, impact, efficiency and sustainability of the project are examined. Ex-post monitoring examines measures and actions taken based on lessons learned and recommendations offered at Ex-post evaluation.		Evaluation results are reflected in the present project for improvement and also utilized as reference for planning and implementation of similar projects.

Characteristics of JICA's Evaluations

1. Consistency throughout the Project by Reflecting the PDCA Cycle (See Table 1)

2. Coherent Methodologies and Criteria for All Three Schemes of Assistance

JICA aims to conduct evaluations and utilizes the findings based on a consistent philosophy and a standardized evaluation framework, while taking into consideration the characteristics of each assistance scheme. For example, JICA conducts evaluations based on the PDCA cycle, using the Criteria for Evaluating Development Assistance (See Table 2) laid out by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) as an international ODA evaluation perspective. Also, evaluation results are published based on a rating system developed by JICA.

3. Cross-sectoral and Comprehensive Evaluation through a Thematic Evaluation

JICA conducts thematic evaluations to analyze a group of projects comprehensively and cross-sectorally. The aim of this evaluation is to derive recommendations and lessons learned which can be utilized in many projects. A thematic evaluation is conducted by selecting projects based on a specified theme and analyzing them from a different angle than in an individual project evaluation.

In the future, evaluations will also be conducted for JICA's cooperation programs (a strategic framework designed to support the achievement of developing countries' mid- to long-term development goals) in line with the progress being made in this endeavor.

4. Ensuring Objectivity and Transparency

JICA conducts external evaluations in the ex-post evaluations, which require an objective verification of project implementation results. An external third-party makes evaluation judgments for

projects over a certain size. In addition, results of ex-post evaluations are published on the JICA website to ensure the transparency of these evaluations. Furthermore, as a framework to reflect the perspectives of outside parties in evaluations, advice on the evaluation framework, structure, and methods is provided by the Advisory Committee on Evaluation comprising third-party experts.

5. Emphasizing Use of Evaluation Results

For JICA's project evaluations, the results of evaluations at each stage of the project are used as feedback that can improve the quality of the "Action" phase of the PDCA cycle. This feedback includes recommendations for improving the project and lessons learned that can be used at other ongoing or future projects. Furthermore, JICA will utilize feedback for establishing JICA's fundamental strategies for cooperation and the JICA Thematic Guideline. Also, JICA will provide feedback of evaluation findings to recipient governments and use other measures so that the findings can be incorporated in the projects, programs and upper level policies, such as development policies of these recipient governments.

Table 2: Evaluation Perspectives Using the DAC Criteria for Evaluating Development Assistance

Relevance	Examines the extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor: Does the goal of the aid activity meet the needs of beneficiaries? Are the activities and outputs of the program consistent with the overall goal and the attainment of its objectives?
Effectiveness	Measures the extent to which a program or a project attains its objectives.
Impact	Examines positive and negative changes as a result of the project. This includes direct and indirect effects and expected and unexpected effects.
Efficiency	Measures the outputs in relation to the inputs to determine whether the aid uses the least costly resources possible to achieve the desired results.
Sustainability	Measures whether the benefits of the project are likely to continue after the closure of the project.

Efforts to Improve Operations

JICA has carried out activities with the aim of improving its administrative services under the Mid-term Objectives and Plan. JICA's priorities are the improvement of aid strategies, accumulation, utilization and dissemination of knowledge, development of new lending schemes, and improvement of policy and structure for Public-Private Partnerships. In addition, JICA responded promptly and accurately to political requests for support of SMEs' overseas operations. JICA also made an effort to speed up project implementation, optimize budget execution management, and reduce expenses.

JICA strives to create and disseminate new value in a self-sustained and dynamic manner through these efforts.

Examples of detailed activities to improve operations are explained below.

Efforts for Improving Organizational Structure

To strengthen the management capacity, JICA studied the involvement of implementation plans, such as refining operations and developing schemes, as well as how to create the organization needed to achieve the goals of plans. Based on the results of these studies, JICA has started taking a number of actions.

Based on the policies of the Japanese government concerning ODA, JICA established new divisions in a timely manner for extending assistance for the overseas activities of SMEs. Additionally, JICA created the new position of Special Advisor for Knowledge Management to further enhance the accumulation, utilization and dissemination of knowledge. Furthermore, JICA adjusted the division of duties at headquarters with flexibility in order to respond to the aid needs of each region and country and conduct projects in a strategic and effective manner.

Due to these activities, there are 23 departments, 5 offices, 2 secretariats and a research institute as of March 31, 2013. JICA is also taking actions in order to rationalize the internal document approval process, expedite decision-making, clarify responsibility and authority, and rectify the scope of management.

Efforts for Cutting Costs and Boosting Procurement Competitiveness

In consideration of the screening process and other factors, JICA is continuing to work on further cutting and rationalizing costs as well as on making procurement activities more competitive. The results of these efforts are open to the public.

Measures to increase competitiveness of JICA's procurement include comprehensive third-party inspections on the suitability of noncompetitive negotiated contracts, the introduction of open bids (Quality and Cost Based Selection) for outsourcing contracts for periodic administrative tasks, easier requirements for submitting bids (applying government registration systems instead of JICA's own system, lightening the burden imposed on making proposals), and the preannouncement concerning planned projects. JICA will continue to carry out revisions in an appropriate manner based on the Basic Policy on Operational Revisions of Incorporated Administrative Agencies (Cabinet Decision of December 7, 2010).

Strengthening Overseas Functions

In order to strengthen its overseas functions, JICA is reexamining its network and structure of overseas offices to promote its effective operation in developing countries. In addition, JICA is reinforcing logistics support provided by headquarters to overseas offices for the smooth and steady implementation of overseas activities.

Response to the Great East Japan Earthquake

Overview and Lessons Learned from the Great East Japan Earthquake Reconstruction Process and Past Mega-disasters

JICA understands the importance of fully utilizing experience from the reconstruction process following the unprecedented losses caused by the Great East Japan Earthquake when assisting developing countries damaged by mega-disasters. For this purpose, we have organized a reconstruction process from six mega-disasters in Japan and six countries that JICA assisted. These disasters include the Great East Japan Earthquake of 2011, the Great Kanto Earthquake of 1923, the Great Hanshin-Awaji Earthquake of 1995, the 2011 Earthquake in Turkey, and the 2004 Sumatra Earthquake in Indonesia.

The reconstruction process consists of four periods and six steps. The four periods are: (1) ordinary times, (2) living in evacuation shelters, (3) starting reconstruction, and (4) full-fledged reconstruction. The six steps are: (1) rescue and first aid, (2) system set-up for recovery and reconstruction, (3) recovery of livelihoods, (4) building safe communities, (5) recovery of industries and economy, and (6) improvement of preparedness. The reconstruction process includes 23 lessons and 44 proposals for JICA actions.

◎: Priority actions

	Lessons	JICA actions (proposals)
Rescue and first aid	(1) Operation of evacuation centers	○Support for evacuation center operation guidelines ○Evacuation center assessments and proposals for improvements
	(2) Provision of first aid and medical services	○Support for establishing an emergency medical care system (assistance for business plans, etc.) ○Risk assessment of medical facility locations
	(3) Suitable delivery of aid supplies	○Confirm inflows of aid supplies from overseas ○Understanding of the possibility of receiving aid supplies not only from countries but also from local governments and NGOs
	(4) Rapid provision of information	○Support for strengthening the ability to send and receive information in countries and regions affected by a disaster
	(5) Waste and sewage treatment	◎Study and assistance for suitable treatment in the area
	(6) Local energy and water	○Supply equipment for using renewable energy sources as supplementary electric power ○Use of well-water, etc. while building an infrastructure
System set-up for recovery and reconstruction	(1) Assistance needs assessment	◎Reconstruction needs assessment upon completion of the rescue and first aid step
	(2) Build a centralized reconstruction framework	◎Support for a "reconstruction control tower"
	(3) Assistance for victims from external parties	○Collect information about major local NGOs ○Work with experienced NGOs from the initial stage ◎Support for specialists to establish an assistance organization
	(4) Prepare a reconstruction plan incorporating the opinions of victims	○Technical Cooperation for reconstruction plan preparation by local governments ○Proposal based on the "people initiative principle" ○Ensure the participation of diversified actors in the planning process ○Support for a reconstruction plan with public participation in cooperation with NGOs
Recovery of livelihoods	(1) Development of temporary houses	○Proposals for temporary housing communities ○Proposals based on the principle of maintaining the original community
	(2) Recovery of employment	◎Job creation support focused on women
	(3) Physical and mental support for livelihood recovery of victims	○Support for identifying barriers to rebuilding livelihoods and proposals and supports ○Assistance for NGOs, etc. that provide care for residents of temporary houses ○Understanding of Japanese NGOs and building a network ○Support for creating and implementing recovery policies based on regional characteristics
	(4) Support for education	○Assistance for NGOs that provide support for education for children
	(5) Provision of safe housing site and environment for self-recovery	○Technical Cooperation for housing complex plans to enable self recovery ○Support for organizing victims to reach a consensus ○Support for building public housing (for example, quake resistance and base isolation construction technologies)
Building safe communities	(1) Building safe communities according to local conditions	○Support for reconstruction master plans and programs and for implementing priority projects ○Fullness of workshops for disaster prevention communities through field trips and exchanges of people
	(2) Comprehensive tsunami countermeasures	○Proposal and implementation for tsunami measures ◎Offer proposals for public facilities that have functions as evacuation centers
Recovery of industries and economy	(1) Rebuild small and medium-sized enterprises	○Support for implementing projects for the reconstruction of local companies ○Support for exchanges among local governments participating in the environmental future city initiative
	(2) Recovery of local industries	○Support for the recovery of local industries in collaboration with disaster-stricken countries ○Support for industrial recovery combined with environmental education
Improvement of preparedness	(1) Education of children about disaster prevention	◎Promote disaster prevention education at elementary and junior high schools (three principles for survival)
	(2) Development of disaster prevention communities	◎Capacity development of people for disaster resilience
	(3) Mitigation of mega-disasters	◎Collection and assessment of disaster risk information about countries and cities ○Restructure disaster prevention training in Japan
	(4) Preserving disaster experiences for the future	○Support for producing archives ○Proposals of methods for preserving disaster experiences

History of JICA

1954

The former Japan International Cooperation Agency

January 1954	The Federation of Japan Overseas Associations is established.
April 1954	The Society for Economic Cooperation in Asia is established.
September 1955	The Japan Emigration Promotion, Co., Ltd. is established.
June 1962	The Overseas Technical Cooperation Agency (OTCA) is established.
July 1963	The Japan Emigration Service (JEMIS) is established.
April 1965	Japan Overseas Cooperation Volunteers (JOCV) Office is established by OTCA.
May 1974	Act of Japan International Cooperation Agency is promulgated.
August 1974	The Japan International Cooperation Agency (JICA) is established.
December 1974	The Statement of Operation Procedures is implemented.
April 1978	Act of JICA is revised (promotion of Grant Aid operations is added).
October 1983	The Institute for International Cooperation is established.
April 1986	Japan Disaster Relief (JDR) Team is formed.

July 1990	25th anniversary of the JOCV. The cumulative number of participants surpasses 10,000 people.
January 1991	Evaluation Guidelines are formulated.
September 1992	Environmental Guidelines for Infrastructure Projects are published.
December 1992	The Handbook for Women in Development (WID) Consideration is published.
May 1994	The cumulative number of participants in JICA training programs surpasses 100,000 people.
August 1995	Annual Evaluation Report is published for the first time.
June 2000	The cumulative number of JOCV participants surpasses 20,000 people.
December 2001	The reorganization and rationalization plan for special public institutions is announced by the Japanese government. Included in this reform plan is a measure transforming JICA into an incorporated administrative agency.
June 2002	The Advisory Committee on Evaluation is established.

The former Overseas Economic Cooperation Fund and the former Japan Bank for International Cooperation

December 1960	The Overseas Economic Cooperation Fund Law is promulgated.
March 1961	The Overseas Economic Cooperation Fund (OECF) is established to take over management of the Southeast Asia Development Cooperation Fund from the Export-Import Bank of Japan (JEXIM). Capital of approximately ¥5,444 million is received from the government, establishing OECF.
March 1961	The Statement of Operation Procedures is approved allowing operations to commence.
March 1966	First OECF ODA Loan (to the Republic of Korea) is provided.
May 1968	The OECF Law is revised (commodity loan facility is added).
March 1980	First government-guaranteed OECF bond is issued.
April 1987	Special Assistance for Project Sustainability (SAPS) is commenced.
April 1988	Special Assistance for Project Formulation (SAPROF) is commenced.
November 1989	OECF Guidelines for Environmental Considerations is published.
May 1991	OECF Policy for Consideration of Women in Development (WID) is published.
April 1992	Special Assistance for Project Implementation (SAPI) is commenced.
March 1995	The Cabinet decides to merge JEXIM and OECF.

April 1996	Special Assistance for Development Policy and Projects (SADEP) is commenced.
April 1999	The Japan Bank for International Cooperation Law is promulgated.
September 1999	Cabinet Order related to the execution of the Japan Bank for International Cooperation Law is promulgated. Ministerial Ordinance related to the execution of the Japan Bank for International Cooperation Law is published on the official register.
October 1999	The Japan Bank for International Cooperation (JBIC) is established.
December 1999	The Medium-Term Strategy for Overseas Economic Cooperation Operations (October 1, 1999–March 31, 2002) is formulated.
April 2001	Ex-Ante Project Evaluation for ODA Loan operations is introduced.
September 2001	Japanese GAAP-Based Financial Statements and Statement of Administrative Cost Calculation are made public.
October 2001	First Fiscal Investment and Loan Program (FILP) agency bonds are issued.
December 2001	The Cabinet decides to proceed with the reorganization and rationalization plan for special public institutions.

October 2002	Act on Access to Information Held by Incorporated Administrative Agencies is implemented.
December 2002	The Law concerning the Incorporated Administrative Agency Japan International Cooperation Agency is promulgated.
September 2003	The Special Public Institution – JICA is dissolved.
October 2003	The Incorporated Administrative Agency – JICA is established. The first Mid-term Objectives (October 1, 2003–March 31, 2007) are made public.
April 2004	JICA Guidelines for Environmental and Social Considerations are published.
November 2004	JICA receives ISO 14001 certification.
April 2006	The Global Plaza Tokyo is opened.
April 2007	The Second Mid-term Objectives (April 1, 2007–March 31, 2012) are made public.
April 2007	The JICA Donation Fund for the People of the World, a public donation program, is launched.
June 2007	The cumulative number of JOCV participants surpasses 30,000 people.

April 2002	JBIC Guidelines for Confirmation of Environmental and Social Considerations are put into effect. The Performance Measurement for Strategic Management is introduced. The Medium-Term Strategy for Overseas Economic Cooperation Operations (April 1, 2002–March 31, 2005) is formulated.
October 2002	Act on Access to Information Held by Incorporated Administrative Agencies is implemented.
March 2005	The Medium-Term Operations Strategy based on the Performance Measurement for Strategic Management (applicable from April 1, 2005 onward) is formulated.
April 2005	The Medium-Term Strategy for Overseas Economic Cooperation Operations (April 1, 2005–March 31, 2008) is formulated.
June 2006	Act on Promotion of Administrative Reform for Realization of Small and Efficient Government is promulgated.
May 2007	The cumulative number of countries to have received ODA Loans reaches 100.
March 2008	The period for implementation of policy on the Medium-Term Strategy for Overseas Economic Cooperation Operations (April 1, 2005–March 31, 2008) is extended by six months.

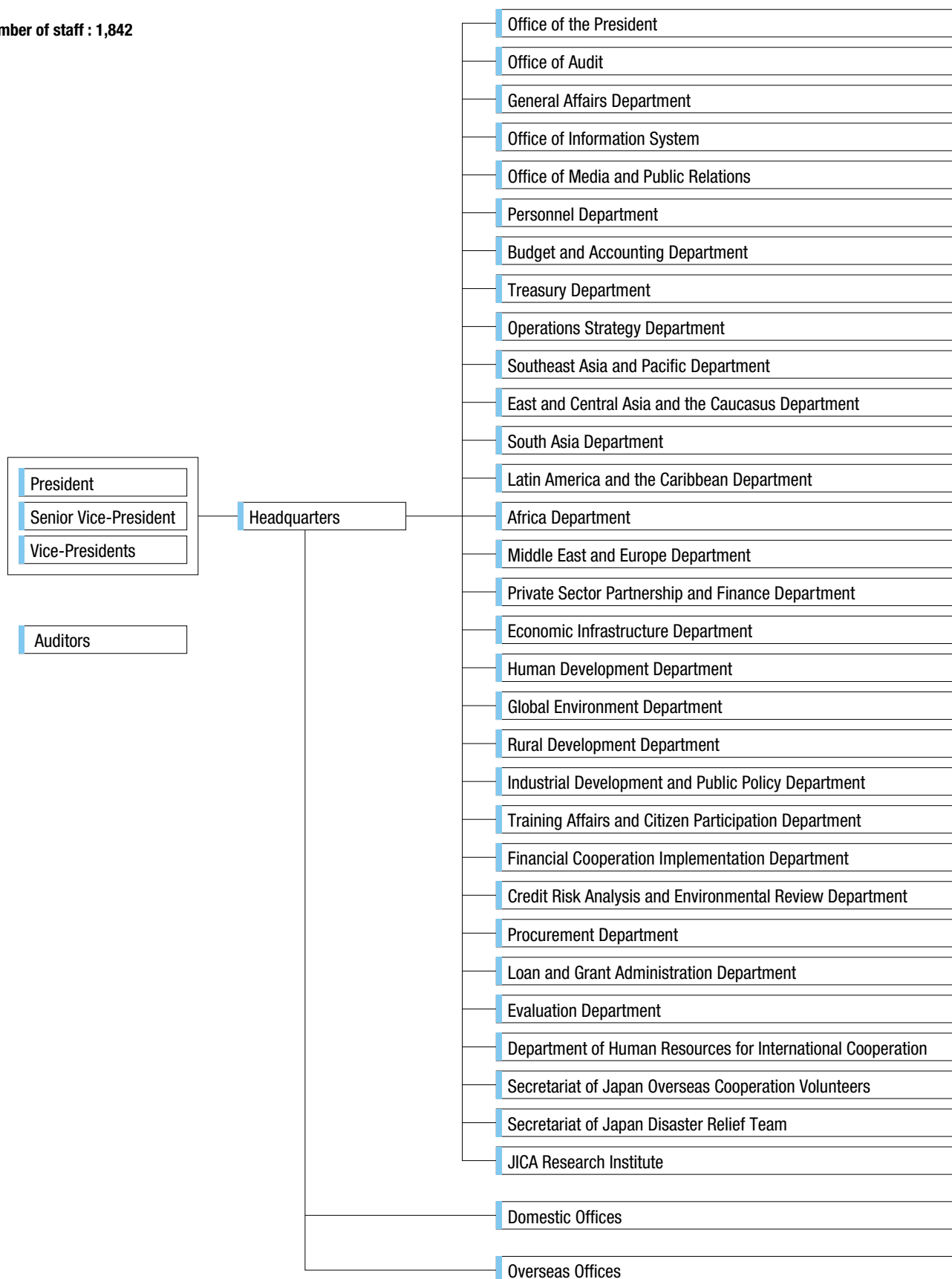
New JICA

November 2006	Act for partial amendments to the Act on the Incorporated Administrative Agency Japan International Cooperation Agency is promulgated.
October 2008	Operations of ODA Loans previously managed by the former JBIC (Overseas Economic Cooperation Operations) and a portion of the Grant Aid provided by Japan's Ministry of Foreign Affairs (MOFA) are succeeded by JICA. However, MOFA remains responsible for directly providing Grant Aid in conjunction with the execution of diplomatic policies.
October 2008	The Second Mid-term Objectives are modified.
April 2010	The new JICA Guidelines for Environmental and Social Considerations are published.
April 2012	The Third Mid-term Objectives (April 1, 2012–March 31, 2017) are made public.

Organization Chart

Organization Chart (As of September 1, 2013)

Number of staff : 1,842



[→ Please refer to JICA's website for updates of this information.]

Please refer to page 156 for a list of JICA's Domestic and Overseas Offices.

Executive Officers and Auditors

1. Number of executive officers and auditors: Pursuant to Article 7 of Act of the Incorporated Administrative Agency - Japan International Cooperation Agency, there shall be one President and three Auditors, and there may be one Senior Vice-President and up to eight Vice-Presidents.
2. Terms of office of executive officers and auditors: Pursuant to Article 9 of Act of the Incorporated Administrative Agency-Japan International Cooperation Agency, the term of office of the President and Senior Vice-President shall be four years and the term of office of Vice-Presidents and Auditors shall be two years.
3. The names, current positions and previous positions of executive officers and auditors as of October 1, 2013 are as follows.

Title	Name	Date of Appointment	Previous Position
President	Akihiko Tanaka	April 1, 2012	Vice President, The University of Tokyo
Senior Vice-President	Hideaki Domichi	April 25, 2012	Ambassador in charge of Economic Diplomacy, Ministry of Foreign Affairs
Vice-President	Kiyoshi Kodera	April 1, 2010 (Reappointment)	Executive Secretary of the Development Committee, The World Bank & IMF Deputy Corporate Secretary, The World Bank
Vice-President	Masakazu Ichikawa	August 1, 2011 (Reappointment)	Deputy Director General, Manufacturing Industries Bureau, Ministry of Economy, Trade and Industry
Vice-President	Toshiyuki Kuroyanagi	July 1, 2012 (Reappointment)	Senior Advisor, JICA
Vice-President	Toshitsugu Uesawa	October 1, 2013	Director General, General Affairs Department, JICA
Vice-President	Hiroshi Kato	October 1, 2013	Senior Special Advisor, JICA
Vice-President	Shigeru Kiyama	October 1, 2013	Senior Special Advisor, JICA
Auditor	Takafumi Ito	October 1, 2011 (Reappointment)	Director General, Secretariat of Japan Overseas Cooperation Volunteers, JICA
Auditor	Hajime Kurokawa	October 1, 2011 (Reappointment)	Manager, Public Sector, Deloitte Touche Tohmatsu LLC

(Vice-Presidents and Auditors are listed in the order of their appointment.)

Budget

1 General Account Revenue and Expenditure Budget (FY2012 and FY2013)

(¥ million)

Item	FY2012	FY2013
Revenue: Fiscal year budget plan	154,789	149,143
Revenue from management grants (Initial budget)	145,379	146,919
Revenue from management grants (Supplementary budget)	4,284	—
Revenue from facility maintenance subsidies/fund	2,451	—
Revenue from contracted programs	1,553	1,472
Project income	358	348
Donation revenue	5	120
Revenue from reversal of reserve carried over from previous mid-term period	759	284
Funds allocated pursuant to Article 35 of the Law concerning the Incorporated Administrative Agency Japan International Cooperation Agency (Fund for grant aid projects) *	0	0
Expenditure: Fiscal year budget plan	154,789	149,143
General administrative expenses	9,951	10,038
Excluding special items	10,106	10,038
Operating expenses	140,830	137,513
Expenses for technical cooperation projects	71,019	68,549
Expenses for the expedition of grant aid projects	206	203
Expenses for public participation-based cooperation	17,183	15,351
Expenses for emigration program	333	328
Expenses for disaster relief activities	880	880
Expenses for aid personnel recruitment and training	368	191
Expenses for assistance promotion	13,799	14,980
Expenses for security, information, internal auditing, etc.	7,419	6,493
Expenses for operation support	29,622	30,537
Facility maintenance expenses	2,451	—
Contracted program expenses	1,553	1,472
Expenses for donation projects	5	120
Expenses for the expedition of grant aid projects *	0	0

*1 Since the plan for Grant Aid projects is determined by the Cabinet, the allocation is shown as zero.

2 Financial Plan for the Finance and Investment Account (FY2012 and FY2013)

(¥100 million)

		FY2012	FY2013
Investment and loan	ODA loans	8,797	8,915
	Private-sector investment finance	3	235
	Total	8,800	9,150
Source of funds	Capital investment from the Government of Japan (GOJ)'s General Account	503	506
	Borrowings from the Fiscal Investment and Loan Program (FILP)	4,270	3,844
	Own funds, etc.	4,027	4,800
	- FILP agency bond issuance	800	800
	Total	8,800	9,150

Note: For FY2012, the figures subsequent to the supplementary budget are shown.

JICA's Mid-term Plan/Annual Plan for Fiscal 2013

1 JICA's Mid-term Plan

In accordance with Article 30, Paragraph 1 of the Act on General Rules for Incorporated Administrative Agencies, the Japan International Cooperation Agency (JICA) has established the following Mid-term Plan for achieving its Mid-term Objectives during a period commencing with fiscal 2012.

Taking into consideration the circumstances surrounding development assistance set out in its Mid-term Objectives, JICA follows its vision of "Inclusive and Dynamic Development" in effectively conducting projects in accordance with the initiatives and policies of the Japanese government regarding Official Development Assistance (ODA). Guided by the vision, JICA will promptly supply comprehensive assistance for people living in developing regions from the standpoint of ensuring human security. Its activities shall target issues involving coping with globalization, achieving equitable growth, reducing poverty, and improving governance. In following this plan, JICA's staff members will remain particularly conscious of the enormous assistance offered by many countries after the Great East Japan Earthquake in Japan, as well as the necessity of pulling together with the rest of the nation in the reconstruction drive following this catastrophe. With these points in mind, JICA will move ahead with cooperation efforts that meet the expectations of other countries. In addition, taking full advantage of its position as one of the few public sector organizations that operates projects in developing regions at large while also having offices across Japan, JICA will correlate the domestic challenges and experiences with those of other countries to contribute to the mutual resolution of issues.

Since its launch as a renewed organization in October 2008, JICA has become the sole implementing agency for all major Japanese ODA schemes—Technical Cooperation, Loan Assistance and Grant Aid. This structure enables JICA to implement optimum aid in developing regions facing various development issues by effectively combining the three forms of assistance in a harmonious and efficient manner that takes into account their special characteristics. Going forward, JICA will further build on its efforts to spread the synergetic effects of its merger, promoting a program based approach in line with the Japanese government policy as a means to increase internationally competitiveness and become more strategic in operations. In solving development issues, JICA will bring together the knowledge and experience of an "all-Japan" team of organizations through networking with NGOs, Japanese companies including small and medium-sized enterprises (SMEs), academic institutions and municipalities.

JICA will further raise its level of expertise with regard to analysis and problem solving skills by incorporating international trends of development assistance in addition to the knowledge JICA has accumulated in the field. Additionally, it will strengthen its external communications skills and deepen its cooperation with partners in the international community, for Japan to make intellectual contributions and play a leading role in global development assistance. Through these measures, JICA will meet the expectations of the international community. It will also enhance the transparency of its activities and organization, gaining understanding, support and empathy for international cooperation in Japan among citizens and at other levels of society.

In addition, JICA will carefully study the rigorous suggestions made for incorporated administrative agencies including JICA. To fulfill its mandate from the people of Japan, JICA will operate in a more strategic, effective and efficient manner by constantly pursuing self-improvement throughout its organization and activities.

In executing the Mid-term Plan, JICA will make every effort possible while continuing to collaborate with associated government institutions. Taking into account the individual characteristics of aid programs, it will establish annual fiscal targets that are as quantitative

and concrete as possible.

1 Measures to be taken to achieve the objective regarding improvement of the quality of operations such as services provided to citizens

[1] Measures to carry out strategic operations

JICA will conduct operations in accordance with Japanese government policies such as the ODA Charter, Japan's Medium-term ODA Policy, the Country Assistance Program and the Priority Policy Issues for International Cooperation as well as the development strategies and demand for assistance from recipient countries. It will place emphasis on the quality of projects as well as the quantity and incorporate the PDCA (Plan, Do, Check, and Action) cycle in every process. JICA will reinforce its program based approach to provide strategic, effective and efficient assistance in accordance with the priorities set by the Japanese government—poverty reduction, sustainable economic growth, addressing global issues, and peace-building. JICA's program based approach involves utilizing its expertise as an aid agency to understand development needs and current circumstances through country and/or regional analyses and dialogues with recipient countries and then combining the three schemes of Technical Cooperation, Loan Assistance and Grant Aid, flexibly and organically to serve those needs. Moreover, JICA will leverage its expertise as an aid agency to strengthen its project planning ability, establishing a powerful implementation system to upgrade its project planning and execution capabilities. These efforts will not be limited to existing assistance schemes, JICA will also improve its approach, methods and processes. In implementing projects, it will correlate its challenges and experiences in Japan such as the Great East Japan Earthquake, disaster prevention, declining birth rate and aging population, environment and energy, with those abroad in order to contribute to mutual solutions. At the same time, JICA will initiate measures to enhance public understandings and support for ODA.

Taking into account ODA policy and other policies of the Japanese government, JICA pursues its vision of "Inclusive and Dynamic Development." Guided by the vision, JICA will formulate and implement projects of the highest standard ensuring human security in such priority areas such as poverty reduction, sustainable growth and global issues as well as peace-building.

Specific activities are as follows.

(a) Poverty reduction (contribution to the achievement of MDGs)

- JICA will assist the developing areas to achieve equitable growth, and thereby continued reduction in poverty, through assisting the poor in developing their various latent capabilities and by providing an environment in which those capabilities can be demonstrated.

(b) Sustainable economic growth

- JICA will support sustainable growth in developing countries while contributing to the growth in Japan at the same time. JICA will share Japan's experiences in reconstruction and growth as well as its knowledge, technologies and systems with the world. In doing so, JICA will implement projects with consideration for disparity-reduction to ensure the benefits of economic growth are shared widely among the population including the poor.

(c) Addressing global issues

- JICA will collaborate with the international society to seek solutions to global issues such as global warming, infectious diseases, food and energy supplies, and disaster risk management.

(d) Peace-building

- JICA will provide seamless aid throughout the peace-building process, from emergency humanitarian assistance to reconstruction and development, to prevent conflicts and their reoccurrence and to consolidate peace.

(e) Strengthening the strategic value of operations and improving operations management

- Based on its country and/or regional analysis and sector and/or thematic strategies, JICA will promote a program based approach that combines a harmonious and efficient mix of Technical Cooperation, Loan Assistance and Grant Aid.
- To carry out projects more strategically, effectively and efficiently, JICA will fully respect the PDCA cycle including ex-post project monitoring and follow-up activities, while compiling and transmitting the project achievements in Japan and overseas.
- JICA will provide comprehensive support towards developing countries in their process of enhancing problem solving abilities, focusing on holistic capacity development at all levels—individuals, organizations and institutions and society.
- Recognizing the significance and effectiveness of South-South Cooperation in assisting developing regions, JICA will strategically implement triangular cooperation and accumulate knowledge and share it in the process.

[2] Strengthening operations planning and knowledge-sharing skills

(A) Strengthening operations planning skills

- (i) To meet diverse and complex development needs, JICA will promote developing country and/or regional analysis papers and thematic and/or sector implementation guidelines.
- (ii) JICA will constantly accumulate knowledge and know-how about development agendas and project implementation, encouraging the sharing and effective use of these resources among stakeholders.
- (iii) JICA will share information and knowledge about volunteers, experts and promote dialogues with Japanese companies and NGOs in order to contribute to the information gathering and analyzing operations of country-based ODA Task Forces.

Specific activities are as follows.

- JICA will develop country and/or regional analytical papers (around 50 countries by the end of the Mid-term Objectives period) and formulate thematic and/or sector directions as a solution providing-approach to find solutions by correctly determining the background and current situation surrounding development issues.
- To implement strategic projects, JICA will strengthen its expertise as an aid agency by accumulating knowledge through dialogues with governments as well as implementing projects.
- JICA will share and utilize information received from various stakeholders, including relevant knowledge and know-how and share it in country-based ODA Task Forces.

(B) Research

JICA will carry out research to enhance strategic, effective and efficient operation, with insights about changing situations in international society, including developing regions and Japan. With a medium-long term perspective, JICA will set research themes and carry out research projects in order to generate outcome which can be feed back to JICA's projects and to influence the international trends of development assistance through collaboration with universities and institutes conducting research on development assistance in Japan and overseas. JICA will examine these contributions periodically and expand the outreach of research outputs.

Specific activities are as follows.

- To carry out high-quality research efficiently and set research themes that can be reflected in operations and can influence global trends in development assistance, JICA will reinforce measures to ensure the quality of research. It will do so through joint research, commission and other collaboration with partners in Japan and overseas, enhancement of internal capacity, peer reviews and evaluation by a third-party

committee, while applying the knowledge cultivated by its operations. Furthermore, to provide feed back internally and strengthen its information transmission capabilities, JICA will ensure opportunities to communicate research outputs strategically and exercise ingenuity in improving transmitting media.

[3] Measures towards operations execution

(A) Technical Cooperation, Loan Assistance and Grant Aid

(i) Technical Cooperation

Technical Cooperation is a human-to-human cooperation that seeks to assist developing areas in improving their overall capacity to address their development issues on their own. JICA will carry out this cooperation strategically, effectively and efficiently to contribute to economic-social development and improvement of welfare in developing areas. It does so by providing assistance for human resources development, technical standard improvement and development plan formulation, pursuant to treaties and other international agreements.

Specific activities are as follows.

- JICA will appropriately and promptly formulate and implement Technical Cooperation to support developing countries and regions to solve their problems focusing on human resources development, development plan formulation, policy formulation, and institutional development.
- JICA will improve operational systems for formulating and implementing cooperation with tangible development benefits. Based on the priorities of Japanese Government's policy, the needs of developing countries and regions and considerations involving project implementation.

(ii) Loan Assistance

The Japanese Loan Assistance program lends funds to governments, government agencies, or local governments, etc., of the developing areas pursuant to international agreement such as treaty, or to legal entities in Japan or the developing areas. The funds are lent under concessional terms and conditions regarding the interest rate, repayment period, etc. for the purpose of assisting developing areas to undertake independent efforts to achieve economic growth and become economically self-sufficient. JICA will conduct these projects strategically, effectively and efficiently by assisting recipient countries to enhance their capabilities to manage project processes in a smoother way and with better systems. Private Sector Investment Finance is used to fund organizations such as legal entities in Japan or the developing areas. This loan is provided for high-impact development projects that cannot be financed by existing financial institutions. Such scheme will be carried out with suitable supervision and in line with the policy of the New Growth Strategy approved by the Japanese Cabinet in June 2010. JICA will ensure that a failsafe organization is in place with risk assessment, management, and other systems that reflects lessons learned from the pilot approach taken for the resumption of the private sector investment finance program.

Specific activities are as follows.

- JICA will take appropriate actions to provide solutions for the agendas of developing areas, such as achieving economic growth independently and becoming economically self-sufficient. To accomplish this, JICA will appropriately and promptly formulate and implement projects adequately and promptly while taking into account the needs of the recipient areas and public-private sector collaboration.
- Keeping in mind the political priorities of Japan and the needs of developing areas and issues involving project implementation, JICA will work with the Japanese government to improve the financing system. Its aim is to further speed up the process and reduce foreign exchange risk for countries that receive loans and, in turn, formulate and implement projects that have significant development benefits.
- Private Sector Investment Finance is used for high-impact development projects that cannot be financed by existing financial institutions. Accordingly, JICA will identify the project needs of private sector companies and other entities to promote projects in developing areas by the private sector. In addition, JICA will formulate projects of the highest standard with risk assessment, management, and other systems that reflect lessons learned from the pilot approach.

(iii) Grant Aid

Grant Aid is a financial assistance extended to developing areas with no obligation for repayment. Targeted mainly at developing countries with low-income levels, this type of aid covers a wide range of cooperation, including the improvement of Basic Human Needs, the development of social and economic infrastructure, protecting the environment, and human resource development, to build the foundation for future development in those countries.

JICA is responsible for performing necessary operations strategically, effectively and efficiently for the implementation of the cooperation through Grant Aid pursuant to treaties and other international agreements. In addition, JICA will perform necessary operations such as to investigate, mediate, and communicate concerning the execution of any contract pertaining to cooperation through Grant Aid that is designated by the Japanese Minister for Foreign Affairs as being in need of JICA's participation.

JICA will take steps to maximize the development outcomes of ODA projects. It will work to minimize overall costs while optimizing the scale of each project. JICA also will enhance competitiveness in the procurement process by encouraging company participation through efforts to reinforce the framework for hedging unforeseen risks.

Specific activities are as follows.

- JICA will appropriately and promptly formulate and implement Grant Aid projects to assist developing countries and regions to solve their problems. Such projects will focus on economic and social development associated mainly with Basic Human Needs, the development of social and economic infrastructure, protecting the environment, and human resources development.
- JICA will improve its operational systems for formulating and implementing Grant Aid projects with tangible development benefits, which reflects the priorities of the Japanese government's policy and, the needs of developing areas.

(B) Disaster Relief

Cooperating with the international community, JICA will take prompt, efficient and effective action to provide emergency relief for the victims in developing areas and etc., through deploying a Japan Disaster Relief Team (JDR) and providing disaster relief supplies.

Specific activities are as follows.

- When a major disaster occurs, JICA will accurately analyze the needs of the affected country and cooperate with aid agencies in other countries to quickly and effectively provide the proper scale and type of disaster relief. It will also continue to monitor the situation after these measures have been taken.
- To maintain the readiness of the JDR, JICA will constantly upgrade exercise and training based on international standards and preserve and improve the skills of team members on standby. In addition, JICA will prepare the necessary materials and equipment required for the team's activities. JICA also will optimize its system for stockpiling disaster relief supplies.
- JICA will maintain cooperative relationships with agencies and organizations in Japan and overseas, such as the United Nations, that supply emergency humanitarian aid. Through this cooperation, JICA will ensure that assistance is provided smoothly and effectively when an emergency occurs.

(C) Support for Japanese emigrants and their descendants (*Nikkei*)

JICA will conduct this program based on the results of the government's assessment on the objectives of the individual programs, the state of their accomplishments, and the decisions regarding the necessity of such programs. It will also give special considerations for the development of residing areas and communities of emigrants and emigrants' settlement and stabilization. JICA will continue to prioritize welfare aid for elderly and human resources development when supporting emigrant organizations in recipient countries. Recognizing the importance of this program in foreign policy, JICA will enhance the knowledge about emigration and overseas Japanese communities among Japanese citizens through educational and public relations activities, academic research and other means of

communicating information. As for the Loan Program for Emigrants, JICA will continue to review its financial condition and to execute debt collection and restructuring in an appropriate manner, while adopting re-profiling of repayment and other arrangements, if necessary. JICA will also prepare a plan to achieve an early completion of loan management operations. JICA will downsize the Individual Technical Training Program for Japanese Descendants. JICA will effectively and efficiently conduct the training programs aiming to nourish *Nikkei* identity and Japanese heritage, collaborating with the Japan Foundation by sharing the program information.

[4] Fostering human resources for development (Training and securing human resources)

Training and securing personnel with superior skills and expertise who engage in international cooperation programs constitute not only the basis for overall activities of JICA but also the key element for the qualitative improvements in Japan's international cooperation. JICA, therefore, will properly undertake necessary programs for training and securing of human resources including consultants based on specific development needs.

Specific activities are as follows.

- JICA will enhance the external communication capability of the Human Resources Center for International Cooperation through effectively supplying information on participation opportunities in international cooperation along with training programs for developing human resources.
- JICA will develop and enhance the skills of personnel engaged in international cooperation, particularly in sectors and themes where there is a great need but is a shortage of human resources, by providing training programs and other related activities for necessary capacity development.

[5] Enhancement of understanding and participation of Japanese people

Understanding and support from the people of Japan are vital to international cooperation. To communicate the significance and current status of this cooperation to the people of Japan, JICA will provide information to the public effectively and efficiently and encourage public participation in its activities.

(A) Volunteer programs

JICA will effectively and efficiently conduct volunteer programs. With the aim of contributing economic and social advancement and revitalization in developing areas and assisting building friendly ties between Japan and developing areas and in promoting mutual understanding as well as providing an opportunity for volunteers to foster global perspectives and pass them on to the society. To adapt to changes in the environment for volunteer programs, the Ministry of Foreign Affairs and JICA conducted an extensive reexamination of the role of overseas volunteer programs in July 2011 and a review of how to implement these programs in the following months (Grassroots Diplomats: Japan's Overseas Volunteer Program – For Co-existence and Relationships). Based on the results of these reviews, JICA will enhance the quality of the program and implement measures to improve operation systems and methods, deepen partnerships with other ODA programs, companies with useful expertise, local governments, NGOs and other organizations. It will also reinforce its activities to enable Japanese citizens to participate in the program with greater confidence and support returned volunteers to pass on their experience to society. JICA will also assess projects appropriately according to their nature and work to attain "visualization" of the activities of and results achieved by overseas volunteers and their career path after returning to Japan.

Specific activities are as follows.

- JICA will enhance the quality of the program through implementing programs that contribute to solve development issues, and collaborate with other programs and organizations.
- JICA will implement measures to achieve "visibility" of the current state of volunteer activities.
- JICA will strengthen its support towards activities by volunteers who are on assignment in locations receiving aid.

- To encourage participation from a variety of fields, JICA will strengthen its partnership with public sector agencies, private sector companies, universities and other organizations in its volunteer programs.
- JICA will improve its requirement, selection, training and studies, to effectively and efficiently secure and train adequate human resources that match development needs.
- JICA will determine and implement specific measures to utilize returned volunteers in Japanese society. In addition, JICA will reinforce its indirect support for returned volunteers in passing on their experience to the society and to furthering their careers.

(B) Citizen participatory cooperation

Citizen participatory cooperation is a cooperation where knowledgeable and well experienced Japanese organizations such as NGOs, municipalities and academic institutions, play a key role. The participation of Japanese citizens contributes to their better understanding of ODA. The cooperation also facilitates appropriate and efficient technology transfer that meets the diverse needs of developing countries. In pursuing JICA Partnership Programs, JICA will effectively implement grass root cooperation centering on improving quality of life and livelihood of the people in developing areas through promoting partnership with NGOs and other organizations. Additionally, to encourage broad participation of the Japanese public, JICA will exercise care in respecting the initiatives of the partnering organizations' and expedite procedures.

Specific Activities are as follows

- With the JICA Partnership Program, JICA will provide comprehensible information and project cases on targeted areas. It will also improve operational management, simplify and expedite administrative procedures. These efforts are intended to ensure applications that match the objectives of the program are made from broad spectrum of Japanese citizens.
- JICA will use domestic offices to support community based cooperation activities. To improve the quality of development education, JICA will strengthen collaborations with NGOs, academic institutions, local governments and other organizations.
- For NGOs and other organizations that aim to conduct international cooperation activities, JICA will promote such programs aiming human resources development, organization reinforcement, and project management advancement.

(C) Public relations activities

(i) Communicating information on ODA activities

To fulfill its accountability and promote the Japanese public's trust, understanding empathy and participation in international cooperation, JICA will strengthen collaboration with the media, NGOs and other partners and utilizes its domestic and overseas offices. Another objective for public relations is to deepen the understanding of Japanese ODA among the people in developing areas. JICA will function as an information hub of ODA projects for the Japanese public by communicating information on the formulation and implementation of ODA projects with better access.

(ii) Increasing the visibility of ODA (greater transparency)

JICA will enhance information disclosure through clear communication of ODA's effects by shifting focus on outcomes and through the set-up of a website to systematically provide information on the ODA projects. JICA will release information regardless of the success or the failure of the projects. This aims at enhancing the confidence of the public in ODA through increasing its transparency and visibility.

[6] Strengthening the role as the "nexus" among diverse actors

(A) Partnerships with diverse actors such as NGOs and private enterprises

JICA will conduct effective operations by using an "all-Japan" framework that brings together the personnel, knowledge, capital and technologies of the public and private sectors. With the intent of contributing to fostering human resources with a global perspective, JICA will strengthen its partnership with diverse actors in Japan. Examples include NGOs, SMEs and other private sector companies, academic institutions and local governments.

Specific activities are as follows.

- JICA will enhance its partnerships with diverse actors such as NGOs, private sector companies, academic institutions, local governments and others. Promoting their participation in JICA projects, it will incorporate their knowledge and technologies in these projects.
- In sectors where it can assist with solutions to development issues in developing areas, JICA will strengthen its partnerships with SMEs and other Japanese companies while continuing to work with other agencies on these issues. JICA will conduct operations based on effective and efficient partnership with the private sector and also contribute to training and recruiting the personnel needed for the global utilization of the outstanding products and services of these companies.

(B) Contribution to Japan's leadership in the international community

In order to realize the mutual benefit of the international community and Japan, JICA will actively play a part in tackling and raising awareness of global issues and contribute to Japan's leadership in these discussions. JICA will strengthen partnerships with international organizations and emerging donors, by way of highlighting Japan's presence by outreaching Japan's assistance policy and approaches while remaining aligned with the international community.

Specific activities are as follows.

- To provide even more effective assistance, JICA will share its expertise on valid approaches and other activities based on its extensive experience with the international community. JICA will participate in forming international agendas and regional and country strategy, as a key member, as well as strengthening regional and country specific aid coordination. In doing so, JICA will contribute to solving global issues.
- JICA will enhance strategic partnerships with emerging donors, promote triangular cooperation and serve as an interface for aid coordination frameworks.
- JICA will promote collaboration with international agencies and other institutions on individual programs and projects.

[7] Cross-cutting issues in operations

(A) Environmental and social considerations

When implementing its cooperation projects, JICA will raise awareness on avoiding or minimizing environmental impacts and social impacts, such as involuntary resettlement, among JICA's staff members and others concerned and operate in accordance with its 'Guidelines for Environmental and Social Considerations' (effective 1 July 2010) with support from external experts.

(B) Gender equality

With the distinct understanding of the importance of gender equality in securing fairness in development and in improving its operational impact, JICA will, in its operations, make further efforts to raise the status of women through sufficient consideration to ensuring active participation of women in development as well as equitable sharing of benefits of development. Therefore, JICA will encourage its staff members and other related personnel to deepen their understanding of the importance of promoting gender mainstreaming in development assistance, and manage its operations from gender perspectives at each step of operation.

(C) Operations evaluation

JICA will implement efficient and systematic operations evaluations in an appropriate manner, in accordance with the PDCA cycle. The framework of JICA's operations evaluation is consistently established at each stage of the project; from the ex-ante evaluation which includes objective operation and effect indicators for outcomes, to the ex-post evaluation which includes its achievement compared with the prior expected outcomes and the lessons learned.

JICA will also publish the results of evaluations to the public in a way that is easy for people to understand so as to enhance visibility of ODA. The results of evaluations will be promptly and properly fed back to new projects.

Specific activities are as follows.

- JICA will enhance the quality of JICA's operations evaluation through steady implementation of ex-post evaluation and appropriate sharing of evaluation results including lessons learned that serve to strengthen the feed back function.
- JICA will improve the means of disclosure and promptly disclose the results of JICA's operations evaluation to the public.
- JICA will address implementation of new evaluation methodologies, such as evaluation of cooperation programs and impact evaluation.

(D) Reinforcement of safety measures

JICA will collect safety information and implement suitable measures to ensure safety for all parties associated with JICA projects.

Specific activities are as follows.

- Since overseas operations take place in developing areas, it is indispensable to incorporate safety measures that take into account the security situation, transportation infrastructure and other risk factors in each country. From this point of view, JICA will implement suitable safety measures for the experts, volunteers, staff members and other individuals involved in overseas operations.
- For projects that include construction of facilities, JICA will make sure that the governments and executing bodies of the developing country, consultants, and contractors rigorously implement safety measures. JICA will strengthen the mechanism to support these organizations when their measures are inadequate.

(E) Unless there is a justifiable reason not to do so, JICA will immediately take measures requested by the Minister for Foreign Affairs based on Article 40 of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency.

2 Measures to be taken to achieve the objective regarding improvement of the efficiency of the administration of operations

[1] Improving flexibility in organizational management

JICA will make steady progress with initiatives based on the Basic Policy of the Review of the Clerical Work and the Operations of Incorporated Administrative Agencies (Cabinet Decision on December 7, 2010). JICA will establish a system which enables strategic, effective and efficient provision of assistance in a flexible manner, responding to environmental changes in both Japan and overseas. These include diversifying needs of developing areas and shifts in Japanese ODA policies. From this standpoint, JICA will take advantage of the flexibility intended by the incorporated administrative agency system and continue to reinforce necessary functions. JICA will achieve an appropriate streamlining of its headquarters by realigning its philosophy for organizational changes as well as its expected functions and roles.

For overseas offices, JICA will perform necessary reviews to achieve the appropriate allocation considering changes in the international circumstances, and others factors. To implement effective and efficient operations, JICA will comprehensively reinforce its capability to accurately grasp diversifying needs of developing areas through enhancing country analysis, developing JICA Rolling Plan, participating in the ODA Task Force; to hold dialogues with aid recipient countries and other donors; to formulate projects, at the field level by shifting personnel from Japan to overseas offices and other measures. Furthermore, with other institutions that have overseas offices, JICA will identify issues including the preservation of the legal status of overseas offices and personnel and the application of governance for financial operations involved with Loan Assistance, and individually consider the functional integration of overseas offices, and reach a conclusion by the summer of 2012.

For domestic offices, JICA will examine the necessity and other factors of individual bases and reexamine the allocation. In addition, JICA will verify domestic offices in terms of their objectives of establishment, functions, and the state of use and take them into consideration in reviewing of appropriate allocation. JICA will utilize experience and networks in each area and contribute to development issues in developing areas. Furthermore, by using the verification results of third party experts, JICA will strengthen its role as a nexus for international

cooperation in local areas in Japan and take steps to increase the understanding, empathy, support and participation of the people regarding international cooperation.

Specific actions are as follows.

- JICA will take advantage of the flexibility intended by the incorporated administrative agency system to review its organizational structure at headquarters. The review will enable JICA to respond promptly and properly to the development needs of each area and country and to operate strategically and effectively. Continuing to strengthen necessary functions, JICA will streamline its organizational systems at headquarters by realigning divisions and departments.
- For overseas offices, JICA will conduct the necessary review to achieve the most appropriate allocation and the size of these offices. The review reflects international circumstances, such as economic growth in developing areas, the length of projects and other factors.
- Depending on conditions in each country, JICA will expand and improve its training programs and revise its operating systems to make even greater utilization of national staff of the overseas offices. It will also proceed with the steady shift of personnel from headquarters and domestic offices to overseas offices in order to strengthen the functions at the field level through such measures as upgrading the ability of headquarters to support overseas operations.
- Looking at the review of domestic offices, JICA will relocate the functions of JICA Global Plaza at Hiroo to other facility and integrate Osaka International Center and Hyogo International Center. Within this process, it will reexamine operations to prevent any degradation concerning the roles or performance of these offices. In the cases of Sapporo International Center and Obihiro International Center, JICA will implement integration in accordance with discussions with local governments and other parties. For Tokyo International Center and Yokohama International Center, it will consider integration of these locations based on the role of the long-term training program, the handling of the Japanese Overseas Migration Museum, the rate of utilization of facilities, and other factors to reach a conclusion.
- For domestic offices, JICA will conduct effective and efficient activities that take advantage of the characteristics of each location through the use of technical cooperation, the cooperation program for citizen participation, programs for supporting development education, public relations activities and other measures. From the point of view of increasing the understanding, empathy, support and participation of the Japanese public regarding international cooperation, JICA will establish collaborations with a variety of partners, such as private sector companies, NGOs, local governments and universities.

[2] Proper and fair management of organization and operation

In accordance with the nature of its activities, JICA will use the following measures to ensure that operations are performed properly and fairly while also paying attention to preserving the quality of activities.

(A) Increasing competitiveness and transparency of contracts

For contractual transactions, JICA gives consideration to ensuring competitiveness while taking care to continue to train the development consultants needed to formulate high-grade projects. In this process, it will follow the Examination and Review on the State of Implementation of Contracts in Incorporated Administrative Agencies (Cabinet Decision on November 17, 2009), the Fundamental Policy for Reforming Public-service Activities and other government policies. JICA will establish conditions that facilitate the application for positions by development consultants and others and will inspect and review contracts to include measures for improvements regarding the competitiveness of single-party bids and applications. In conjunction with those efforts, JICA will prevent fraud and other improper behavior by taking measures in accordance with laws, regulations and guidelines to ensure proper operations.

Specific activities are as follows.

- From the standpoint of forming proper contractual agreements, including making them more competitive, JICA will continue to make improvements concerning the reduction of single-party bids and applications and contractual procedures.

- In view of further enhancing the transparency of contracts, JICA will make its selection process, selection standards, selection results, contract performance and other aspects of contractual transactions available to the public. In addition, it will continue to have third parties check the selection process.
- To prevent fraud and other improper behavior, JICA will use strict measures in accordance with laws, regulations and guidelines to operate properly.
- For contracts with associated public-service corporations, JICA will continue to take actions to ensure competitiveness and transparency, such as by using competitive bidding open, in principle, to the public.

(B) Improving governance and transparency

To achieve its objectives as an organization, JICA will improve management and oversight of performance. It will expand and strengthen its governance system through the use of suitable frameworks and systems and operations (including monitoring). The governance system takes into account the special characteristics of Loan Assistance, which requires a governance system for finance operations.

- JICA will conduct internal audits and appropriately follow-up based on the audit results, which will also include the results of external audits.
- JICA will ensure that operations are conducted properly within the organization and constantly improved. To that end, it will reinforce its internal control functions, including improving the functioning of the whistle-blowing system.
- JICA will take the necessary actions to execute suitable information security measures in line with the Information Security Strategy to Protect the Public and other government policies.
- JICA will perform annual evaluations of performance with the participation of external specialists. The results of evaluations are reflected in JICA's operations through the organizational target management process.
- JICA will create opportunities for incorporating proposals for improvements by stakeholders in all aspects of its operations. This will include the opinions of experts, volunteers, NGOs, consultants, private sector companies and other associated entities that stand at the forefront of international cooperation.

(C) Streamlining and optimizing administrative operations

Keeping in mind the special features of each administrative task, JICA will maintain an environment conducive to the efficient implementation of operations. In addition, JICA will improve administrative processes to enable streamlined and appropriate operations.

Specific activities are as follows.

- JICA will review administration of contracts to streamline and simplify operations. It will simplify all procedures for selections and payments for contract counterparties; procuring materials more efficiently; managing contract information more efficiently; establishing a suitable framework for procurement activities at overseas offices; and taking other actions.
- JICA will further improve the efficiency of procedures for dispatching experts and others to aid sites, accepting training participants, performing activities involving volunteers, and for other activities.

[3] Cost efficiency, appropriate level of salary, and proper review of assets

(A) Cost efficiency

During the Mid-term Objectives period, while preserving the quality of operations, JICA will improve the efficiency of management grants operations by at least 1.4% in each fiscal year with regard to total general administrative and operating expenses (except special operating expenses and one-time items). Measures to reach this target will include a proper and stringent review of payments and other benefits for experts, project formulation advisors, overseas health management personnel and others; controlling payments to volunteers; and cutting fixed and other costs. These efficiency measures will not apply to personnel expenses, which are provided for in the next section.

(B) Appropriate level of salary

Salary levels at JICA are higher than those of the national government

employees (Laspeyres Index with regional & academic adjustment was 109.3 (JFY 2010)) due to the special nature of JICA's operations. During the current Mid-term Objectives period, JICA will continue to review salary levels constantly in the context of those of government employees. After thoroughly examining the appropriate levels of salaries for board members and staff members, including allowances, JICA will establish targets for salary levels and a deadline for achieving the targets. JICA will then take actions in accordance with a plan and make a public announcement of the results of its salary examination and its initiatives.

In addition, JICA will review total personnel expenses, taking into account the measures by the Japanese government to reduce its total personnel expenses. During this process a proper review is done as quickly as practical on overseas work allowances provided to personnel sent overseas with reference to such allowances provided to employees of the Japanese government, private sector companies and other organizations.

(C) Proper review of assets

JICA will continue to disclose detailed information about its assets. Furthermore, it will constantly perform reviews of the necessity of holding these assets. These reviews will consider the actual utilization of assets and other possible uses to determine their necessity to the organization. Necessity will be reviewed from the standpoint of the degree of possible other effective uses of assets that would not disrupt JICA's operations, the effective disposal of assets, and economic rationality. JICA will also undertake a rigorous examination to determine which assets should be retained, taking into account the current status of its assets. Based on this assessment, assets will be sold, returned to the Japanese government and disposed of in other ways to the extent that operations are not negatively affected. For employee housing, JICA will take appropriate actions that are consistent with the government's policy for the review of employee housing at incorporated administrative agencies.

For its portion of the Takebashi Godo Building, JICA will undertake a study of effective ways to utilize this space. Should a decision be reached that the property is not needed and sale is the logical course of action, JICA will dispose of the property.

3 Budget (including an estimate of the personnel cost), revenue and expenditure plan, and capital plan (excluding the Finance and Investment Account)

(1) JICA will prepare a Mid-term Plan budget, revenue and expenditure plan and funding plan for programs that operate on management grants, while reflecting items prescribed in "2. Measures to be taken toward achievement of the objectives related to increased efficiency in operations management." JICA will then conduct operations based on the budget and other items, taking measures to further optimize budget execution management while preserving the quality of operations. Moreover, JICA will calculate the annual subsidy for operations very carefully taking into account the amount of unexecuted management grants. To provide even greater transparency about its finances, JICA will expand segment and other information supplied with the financial statements. Furthermore, operational reports and other reports will provide more specific information about the causes of unexecuted management grants and measures for dealing with the issue in future.

(2) JICA will continue to work on securing its own revenues and properly managing and using those revenues.

4 Short-term loan ceilings

General Account: ¥62.0 billion

Finance and Investment Account: ¥220.0 billion

Reasons: The General Account requires loans to avoid late payments of personnel expenses to staff members and operational expenses in the event of an approximately 3 month delay in the receipt of management grants from the Japanese government.

The Finance and Investment Account requires loans to deal quickly and efficiently with events such as short-term funding gaps involving short-term loan repayments and the collection of loans receivable, temporary

funding when FILP agency bonds are issued, rapid changes in the amount of loans extended, and other events.

5 Plan for disposing of assets that are unnecessary or expected to become unnecessary

JICA will sell some condominiums used for employee housing. Plans call for disposing of 34 units in fiscal 2012, 33 units in fiscal 2013 and 33 units in fiscal 2014. JICA will reimburse the Japanese government for these assets by paying an amount calculated using the standard prescribed by the supervising Cabinet minister but limited to the actual proceeds of these sales. However, should assets prove difficult to sell, it may instead transfer unnecessary assets directly to the Japanese government.

JICA will transfer the property of Osaka International Center to the Japanese government by the end of fiscal 2012. In the case of JICA Global Plaza at Hiroo, the property will be transferred to the Japanese government or sold by the end of fiscal 2013. If the property is sold, a payment that is calculated using the standard prescribed by the supervising Cabinet minister, but is not more than the proceeds of these sales, will be made to the Japanese government.

6 Plan for transferring or mortgaging of important assets other than the assets prescribed in Item 5

Not applicable

7 Use of surplus funds (excluding the Finance and Investment Account)

JICA may allocate the surplus to programs that can improve its quality of operations and its facilities and equipment, while taking into account the progress of the Mid-term Plan.

8 Other items related to operations management stipulated by ordinances of the competent ministry

[1] Facilities and equipment

JICA will maintain facilities and equipment from a long-term perspective for the purpose of achieving objectives concerning making operations more efficient and improving the quality of operations. JICA will use these facilities and equipment effectively and efficiently.

Specifically, JICA will repair and upgrade facilities and equipment from the standpoint of operational necessity related to the aging of existing facilities and other reasons.

Plan for Facilities and Equipment from Fiscal 2012 to Fiscal 2016

(Million yen)

Facilities and equipment	Source of funds	Budget
Purchase and renovation of facilities at head office, offices in Japan, etc.	Subsidy for facility maintenance expenses, etc.	4,191
Total		4,191

Note: The amounts for the facility maintenance subsidy and other items are determined during the budget preparation process for each fiscal year.

[2] Personnel planning

To conduct its operations effectively and efficiently, JICA will assign people to appropriate locations and accords the staff member's treatment in keeping with their roles and contributions. In addition, JICA will utilize career development, training and other programs to upgrade the skills of staff members in response to the increasing sophistication and specialization required by its operations. For career development that further increases staff members' specialty skills and utilizes those skills, it will encourage staff members to be aware of their career goals, including a field of specialty, early in their careers. Furthermore, JICA will use various methods to increase opportunities for personnel to use their skills efficiently at the field level.

JICA will establish a plan to develop personnel suited to effective and efficient operations.

Specific activities are as follows.

- JICA will boost the motivation of staff members by accurately evaluating their performance and rewarding all staff members with remuneration and other benefits that reflect their respective roles and contributions.

To improve the quality and efficiency of its operations, JICA will also allocate its human resources properly according to skill and project needs.

- JICA will encourage each staff member to pay more attention to his or her career path and will provide each staff member with training and opportunities to develop themselves. This will include increasing their knowledge of country, area and development issues; improving skills for formulating aid cooperation programs and project management; and upgrading communication skills, including the study of foreign languages. Learning opportunities include management experience at project sites, temporary assignments to international agencies and other activities. The objective is to strengthen the capabilities of the workforce to meet the increasingly sophisticated and specialized nature of JICA's operations.
- JICA will extend the support for overseas assignments to enable personnel to smoothly perform their duties. Steps will be taken to efficiently utilize human resources, including those to facilitate overseas assignments for personnel who previously could not leave Japan because of family or other issues.

[3] Matters related to the disposal of reserve funds and the handling of assets obtained from the collection of loan payments (Article 31, Paragraph 1 of the Act for the Incorporated Administrative Agency-Japan International Cooperation Agency and Article 4, Paragraph 1 of the Supplementary Provisions of the Law)

When reserve funds remain after the procedure prescribed in Article 44 of the Act on General Rules for Incorporated Administrative Agency, the portion of this amount approved by the supervising Cabinet minister can be used as follows: for contracts (except Loan Assistance operations) where liabilities exceed the Mid-term Objectives period due to unavoidable circumstances in the immediately preceding Mid-term Plan; for accounting treatment concerning the amount that affects profits and losses in the account for transitional functions, etc. that were recorded during the previous Mid-term Objectives period; and in other cases.

For claims recovered and other funds received during the previous Mid-term Objectives period, amounts received are submitted to the Japanese government in an appropriate manner based on the Act for the Incorporated Administrative Agency-Japan International Cooperation Agency.

[4] Liabilities that go beyond the Mid-term Objectives period

When necessary, JICA may enter into contracts that exceed the current Mid-term Objectives period.

Table 1: Budget

(¥ million)

Item		
Revenue	Revenue from management grants	713,924
	Subsidy for facility maintenance expenses, etc.	4,191
	Interest income and other revenues	1,711
	Revenue from contracted programs	7,496
	Donation revenue	120
	Revenue from reversal of reserve carried over from previous mid-term period	1,043
	Total	728,485
Expenditure	General administrative expenses	49,834
	Excluding special items	49,988
	Operating expenses	666,844
	Excluding special operating expenses and special items	658,005
	Contracted programs expenses	7,496
	Expenses for donation projects	120
	Facility maintenance expenses	4,191
	Total	728,485

- Notes
- In some cases numbers do not correspond to the sum total figures because of rounding.
 - The items "Subsidy for facility maintenance expenses, etc." in Revenue and "Facility maintenance expenses" in Expenditure have been included based on the Facilities and Equipment Plan for Fiscal 2012. Actual figures were determined during the process, etc., of creating the budgets for individual fiscal years.
 - Because Grant Aid planning is determined by Japanese Cabinet meetings, the budget, income and expenditure plan, and capital plan stipulated under Article 13, Paragraph 1, Item 3 (i) of the Act of the Incorporated Administrative Agency—Japan International Cooperation Agency (Act No. 136 of 2012), are not included.
 - Revenue from management grants and operating expenses include the budget (¥5,400 million) related to Technical Cooperation for the international business development of SMEs and regional governments established under the Urgent Economic Countermeasures for the Revival of the Japanese Economy (January 11, 2013) based on the fiscal 2012 supplementary budget (No. 1).
 - Subsidy for facility maintenance expenses, etc., and facility maintenance expenses include the budget (¥1,984 million) related to facility repair to improve disaster prevention and risk reduction functions established under the Urgent Economic Countermeasures for the Revival of the Japanese Economy (January 11, 2013) based on the fiscal 2012 supplementary budget (No. 1).
 - Revenue from management grants and general administrative expenses and operating expenses reflect JICA's review of the salaries of its officers.

[Estimate of personnel expenses]

The estimate of personnel expenses for the period of the plan is ¥64,539 million. However, the figures included in the table above are those equivalent to the scope of expenses for basic salaries, work-related expenses and overtime allowances, and administrative leave pay.

[Management Grant Calculation Method]

Adoption of the rule-based Management Grant Calculation Method

Table 2: Income and Expenditures Plan

(¥ million)

Item		
Expenses		724,941
Ordinary expenses		724,941
General administrative expenses		49,267
Excluding special items		49,422
Operating expenses		666,844
Excluding special operating expenses and special items		658,005
Contracted programs expenses		7,496
Expenses for donation projects		120
Depreciation expenses		1,213
Financial expenses		0
Extraordinary loss		0
Revenues		723,898
Ordinary revenues		723,659
Revenue from management grants		713,358
Interest income and other revenues		1,472
Revenue from contracted programs		7,496
Donation revenue		120
Transfer from liabilities for property management grants		1,162
Transfer from liabilities for property grants		52
Financial revenues		238
Interest income		238
Extraordinary profits		0
Net income (loss)		(1,043)
Reversal of surplus deposits from the previous mid-term period		1,043
Reversal from special purpose reserve		0
Total income (loss) for the current year		0

Note: In some cases numbers do not correspond to the sum total figures because of rounding.

[Rule-based Management Grant Calculation Method]

Management grants are calculated using the following formula.

$$A(y) = B(y) + C(y) + D(y) + E(y) - F(y)$$

A(y): Management grants

B(y): Property expenses

C(y): personnel expenses

D(y): Special operating expenses

E(y): Special items

F(y): Interest income and other revenues

- Property expenses B (y)

The property expenses B (y) for each fiscal year is calculated by the following method.

B(y) is the property expenses for the previous fiscal year B (y-1) x "efficiency coefficient α " x "adjustment factor σ "

- Efficiency coefficient α

Specific coefficient determined in the process of creating the budget for each fiscal year.

- Adjustment factor σ

Specific factor determined in the process of creating the budget for each fiscal year taking into account changes in operations in accordance with revisions of laws and increases or decreases in the size of operations depending on political considerations.

- Personnel expenses C (y)

Personnel expenses are determined in the process of creating the budget for each fiscal year.

- Special operating expenses D (y)

These are operating expenses necessary for dealing with national policy issues for which JICA would have difficulty deciding on or executing on its own. Specific figures are determined in the process of creating the budget for each fiscal year.

- Special items E (y)

Occasional increases or decreases in expenses due to events that cannot be foreseen at the current point in time. Specific figures are determined in the process of creating the budget for each fiscal year.

- Interest income and other revenues F (y)

The project income F (y) for each fiscal year is calculated by the following method.

F (y) = "interest income for the fiscal year" + "miscellaneous income for the previous fiscal year G (y-1)" x "the income factor δ ."

- Income factor δ

Specific factor determined in the process of creating the budget for each fiscal year.

The specific coefficients and factors for the above calculations used in determining the mid-term plan budget are as follows.

α : Efficiency coefficient (assumed to be 0.986)

σ : Adjustment factor (assumed to be 1.00)

δ : Income factor (assume to be 1.03)

Table 3: Capital Plan

(¥ million)

Item		
Outflows		745,537
Payment of operating expenses		723,728
General administrative expenses		49,267
Excluding special items		49,422
Operating expenses		666,844
Excluding special operating expenses and special items		658,005
Contracted programs expenses		7,496
Expenses for donation projects		120
Payment for investing activities		4,757
Payments for purchase of fixed assets		4,757
Payment for financing activities		4,087
Expenses for returning unnecessary assets to Japanese government		4,087
Expenditures for lending programs		10,797
Surplus deposits carried forward to the next mid-term period		2,168
Inflows		745,537
Proceeds from operating activities		723,251
Proceeds from management grants		713,924
Project income		1,711
Proceeds from contracted programs		7,496
Donation revenue		120
Proceeds from investing activities		5,956
Proceeds from subsidy for facility maintenance expenses		2,515
Proceeds from sales of fixed assets		647
Proceeds from loans receivable		2,795
Proceeds from financing activities		0
Surplus deposits from the previous mid-term period		16,239

Note: In some cases numbers do not correspond to the sum total figures because of rounding.

Japan International Cooperation Agency, an incorporated administrative agency, (hereinafter referred to as JICA), had made the following plan for the fiscal 2013 operations based on its Mid-Term Plan, in compliance with Section 1, Article 31 of General Rules for the Incorporated Administrative Agency Act No. 103 of 1999.

1 The measures to be taken to achieve the objective regarding improvement of the quality of operations such as services provided to citizens

[1] Measures to carry out strategic operations

(a) Poverty reduction (contribution to the achievement of MDGs)

JICA will reinforce its operations to achieve MDGs through formulating and implementing good projects with considerations for the sectors where the achievement of MDGs is still behind schedule for target year 2015.

(b) Sustainable economic growth

JICA will support the formulation and implementation of policy and its measures and development of human resources relating to development of infrastructure, development of laws, promotion of industry, trade and investment, and improvement of business environment. JICA will take into consideration disparity reduction when assistance is provided, so that the fruits of economic growth will be widely distributed among people including the poor.

(c) Addressing global issues

JICA will encourage developing countries in formulating and enforcing their policies and their measures relating to global issues such as environment, climate change, disasters, and food, by effective utilization of Japan's technologies and assistance combining physical and intellectual resources.

(d) Peace-building

JICA will provide seamless assistance throughout the process from humanitarian emergency relief to reconstruction assistance by effectively combining physical and intellectual resources from the viewpoints of preventing conflicts and their recurrence and consolidating peace. In peace-building operations, JICA will take into account poverty reduction and sustainable growth towards mid- and long-term development.

(e) Strengthening the strategic value of operations and improving operations management

- (1) JICA will increase the strategic value and predictability of its operations through enhancing the quality of cooperation programs while sharing information with the Japanese government.
- (2) In order to conduct operations more strategically, effectively, and efficiently, JICA will summarize the outcomes of operations by issues and send out the information within and out of Japan. JICA will fully enforce the PDCA cycle including ex-post monitoring and follow-up activities and ensure that the lessons learned will be reflected on the formulation of subsequent operations.
- (3) Upon carrying out operations, JICA will emphasize comprehensive capacity development at all levels, individual and organizational, institutional and social systems, and provide a wide-ranging assistance to the process of capacity development to address issues in developing countries.
- (4) In light of the significance and effectiveness of the South-South cooperation, JICA will strategically provide triangular cooperation. JICA will accumulate and share the knowledge about good practice in terms of aid effectiveness, Japan's presence and cost-sharing with partner countries.

[2] Strengthening operations planning and knowledge-sharing skills

(A) Strengthening operations planning skills

- (1) In order to have a clear understanding of the backgrounds and the

current situations surrounding developing issues in developing countries, JICA will formulate JICA Country Analysis Papers (JCAP) for 43 countries in total in fiscal 2013. At the same time, JICA will improve JCAP's quality and strategic process of consultation on its formulation and sharing after its finalization with relevant stakeholders.

- (2) As a measure to have a clear understanding of the backgrounds and the current circumstances for particular developing issues and to resolve them, JICA will formulate and utilize sector/issue-based guidelines and position papers thereby strengthening the ability to address development issues.
- (3) JICA will revise its guideline for knowledge management to improve the internal system to accumulate and utilize knowledge through establishing knowledge management network and reinforce the functions of knowledge-sharing within and out of JICA.
- (4) JICA will actively participate in country-based ODA Task Forces to share knowledge, experience and information obtained through dialogues with JICA experts and volunteers, Japanese enterprises and NGOs to solve development problems. Likewise, JICA will provide a mid-term operation plan for discussions in country-based ODA Task Forces to enhance the strategic value of Japan's assistance.

(B) Research

JICA will conduct studies with internationally recognized quality to improve operations and contribute to setting an international development agenda through utilizing expertise accumulated by JICA and collaboration with domestic and overseas partners. JICA will share research outputs through working papers and books, international symposiums and seminars, and the website. JICA will also systematize and accumulate knowledge inside JICA. JICA will further improve the research system to achieve the above objectives.

[3] Measures towards operations execution

(A) Technical Cooperation, Loan Assistance, and Grant Aid

(i) Technical Cooperation

- (1) JICA will appropriately and promptly formulate and implement projects to solve issues in each country and region, particularly in human resources development, development planning, policy formulation, and institutional development.
- (2) JICA will review the workflows and procedures that help to carry out strategic, effective and efficient operations and revise relevant manuals and reference materials for operations. As to issue-based training and dialogue programs, JICA will transfer the designing and planning functions from the domestic office to sector-focused departments at the headquarters to formulate training and dialogue programs based on cooperation programs and key policies of the Japanese government.

(ii) Loan Assistance

- (1) JICA, through Japanese ODA Loans, will formulate and implement projects appropriately and promptly to properly address issues in developing regions such as economic development and economic independence by self-help based on the needs of each developing region and through public-private partnership.
- (2) In order to speed up the process of Japanese ODA Loans, JICA will promote measures to increase the proportion of projects in fiscal 2013 that reach the signing of loan agreement within nine months from the starting point.
- (3) Keeping in mind the policy priorities of the Japanese governments and the needs of developing areas and issues involving project implementation, JICA will work with the Japanese government to improve the Loan Aid scheme to formulate and implement projects that have significant development benefits. This includes reduction of foreign exchange risk for countries that receive loans.
- (4) Private Sector Investment Finance is used for high-impact development projects that cannot be financed by existing institutions. Accordingly, JICA will improve and strengthen its operational systems, risk assessment, management, and other system that reflect lessons

learned from the pilot approach and operations after full resumption, and promote projects in developing areas by the private sector.

(iii) Grant Aid

- (1) JICA will formulate and implement projects appropriately and promptly in order to solve issues in each country and region with emphasis on economic and social development, primarily in the fields of basic living, social infrastructure development, environment conservation and human resources development.
- (2) JICA will improve the workflows and procedures concerning project formulation and project management in order to implement effective Grant Aid projects and advance the program-based approach responding to policy priorities of the Japanese government, the needs of each developing area, and challenges in implementation.

(B) Disaster Relief

- (1) Following a large scale disaster, JICA will grasp the needs of a disaster-stricken nation through gaining information from various sources, then JICA will provide speedy, flexible and effective emergency relief assistance of appropriate scale and content combining available resources and collaborating with the international society. JICA will continue to review its emergency relief operations and reflect its lessons on subsequent missions. JICA will publicize its disaster relief assistance towards people in the disaster-stricken country and Japan.
- (2) JICA will steadily carry out training for the medical team to allow it to maintain and improve its capabilities and make preparations for dispatching a medical team equipped with surgery functions. JICA will review challenges in maintenance and re-certification of the relief team at the internationally recognized level and clarify the policy for improving the quality of training. As to the provision of disaster relief supplies, JICA will analyze problems in the past operations and optimize the reserve system from the point of ensuring promptness.
- (3) During normal time, JICA will participate in and contribute to the frameworks for international collaboration on search and rescue and disaster medicine. At the same time, JICA will keep its contact with relevant parties to enable effective collaboration and coordination at disaster site during emergency. In conjunction with such efforts, JICA will also explore possible assistance to upgrade the disaster response capacity of disaster-prone countries.

(C) Support for Japanese emigrants and their descendants (*Nikkei*)

- (1) Based on the Japanese government's policy, JICA will conduct its operations effectively and efficiently with emphasis on the welfare of the aged and human resources development while carefully observing the settlement and stabilization of emigrants. JICA will implement *Nikkei* individual training courses efficiently, while downsizing the volume of operations. JICA will also share information with Japan Foundation on the current situation and needs for heritage education in *Nikkei* societies.
- (2) For concessional loans for emigrants, JICA will collect the amount to be recovered according to the debt recovery plan. At the same time, JICA will identify the situation of loans in detail in each country and classify those loans appropriately in order to consider measures towards terminating the loan management operations.
- (3) In order to enhance awareness among the people in Japan on overseas emigration and *Nikkei* societies, JICA will improve the Overseas Migration Museum, enhance its research and exhibition, utilize educational materials and strengthen partnerships with surrounding municipalities and relevant organizations. In fiscal 2013, JICA will aim to achieve more than 30,000 visitors to the museum, more than 1,894 participants in education programs, and more than 113,182 access numbers to the museum website.

[4] Fostering human resources for development (Training and securing human resources)

- (1) JICA will make efforts to gain new users for "PARTNER," a comprehensive international cooperation career information website managed by JICA by improving services for individual users who

are engaged in international cooperation and exploring partnership with organizations with little experience of international cooperation. JICA will also strive for more organization registration by improving services for organization users. In fiscal 2013, JICA will aim at 1,500 new individual registrations, 65 new registrations of organizations, increasing the number of times information is provided by 200 from the previous year, and 200 face-to-face career consultations. JICA will reinforce the information services including the use of social media in a career seminar for international cooperation.

- (2) JICA will continually offer the capacity enhancement training courses for those who are expected to become JICA experts immediately, while revising course arrangements to meet diverse development needs. JICA will aim to train 270 participants in those courses.
- (3) JICA will accept approximately 30 interns from among young professionals or graduate students who major in the areas of international cooperation and development assistance to contribute to expansion of the range of people who are engaged in international cooperation.

[5] Enhancement of understanding and participation of Japanese people

(A) Volunteer programs

- (1) JICA will conduct volunteer programs in accordance with prioritized development issues. For this purpose, JICA will monitor a program of group dispatch of volunteers which was introduced in FY2012. Also, JICA will formulate new projects in line with the prioritized development agenda for Senior Volunteers.
- (2) JICA will improve the quality of volunteer programs in collaboration with other programs and organizations. JICA will share knowledge in international conferences and discussions with international organizations. Furthermore, JICA will promote collaboration with those organizations at the field level.
- (3) To increase the visibility of volunteer activities, JICA will improve website content that introduces volunteer activities.
- (4) JICA will support volunteers' activities through assisting in developing volunteer activity plans and monitoring the progress by overseas offices.
- (5) In order to enhance the participation of people from a wide scope of fields as citizen participatory cooperation, JICA will promote volunteer programs in partnership with private enterprises and with local governments and universities.
- (6) JICA will upgrade its website and use social media to recruit volunteers more effectively and efficiently. To make the selection process more efficient, JICA will conduct a part of second round interviews in regional cities.
- (7) JICA will launch and monitor a new training program for volunteers to improve the quality of training.
- (8) To support returned volunteers to develop their career, JICA will efficiently manage the career support website, convene seminars on volunteer programs targeting private enterprises and local governments (four times a year) and give training towards returned volunteers. JICA will share good practices in which returned volunteers contributed to society in Japan by making use of their experience in developing countries.

(B) Citizen participatory cooperation

- (1) JICA will update its country information on the website to support overseas activities of Japanese NGOs and local governments.
- (2) For JICA Partnership Program, JICA will hold briefing sessions for Japanese partner organizations before launching new projects to ensure smooth implementation. JICA will also review the project implementation plan after the project commences and conduct an ex-post evaluation.
- (3) JICA will discuss with NGOs about JICA Partnership Programs and take necessary measures following the discussions.
- (4) JICA, through the JICA Global Plaza, will provide services to support diverse hand-made international cooperation by Japanese citizens. JICA will also communicate with NGOs, private enterprises and citizens through using social media and provide opportunities to enhance their

understanding of international cooperation. Through these measures, JICA will steadily increase the number of information transmissions in comparison with fiscal 2012. JICA will aim to achieve ratings of 4 or better on a 1-to-5 escalating scale of satisfaction in at least 70% of the responses by users of the JICA Global Plaza.

- (5) JICA will foster human resources that are engaged in development education and improve the quality of development education programs through reinforcing partnerships with NGOs, education institutions and local governments.
- (6) JICA will improve its website for development education and aim to attain website access of more than 100,000. Additionally, JICA will aim to achieve over 7,000 participants in training on development education programs.
- (7) JICA will facilitate and enhance various support programs for NGOs engaged in international cooperation to build their institution and improve their project management skills.

(C) Public relations activities

(i) Communicating information on ODA activities

In order to foster public trust, understanding, sympathy and participation of Japanese people in international cooperation and their understanding of Japan's ODA, JICA will carry out effective public relations activities as its core operations. Based on JICA's public relations strategy, JICA will convey to the general public the significance of international cooperation and the context of various agendas, while targeting opinion leaders such as intellectuals and mass media for specialized public relations. JICA will reinforce its overall communications capacity through expanding the usage of new media such as social media, strengthening public relations activities in domestic and overseas offices, and reviewing JICA's public relations strategy if necessary.

(ii) Increasing the visibility of ODA (greater transparency)

In order to make all operations thoroughly "visible," JICA will publish information on all new projects and the completed projects for which ex-post project evaluation has been carried out during the past decade but is not published yet. The information will be posted on the website which visualizes systematically the present situation and outcomes of ODA financial aid projects.

[6] Strengthening the role as the "nexus" among diverse actors

(A) Partnerships with diverse actors such as NGOs and private enterprises

- (1) JICA will convene NGO-JICA dialogue meetings and reinforce partnerships with NGOs.
- (2) JICA will strengthen its partnerships with academic institutions through promoting participation of research institutions in Science and Technology Research Partnership for Sustainable Development (SATREPS), expanding collaborative lectures with universities, and enhancing university-JICA partnership conferences.
- (3) Particularly through JICA domestic offices, JICA will promote partnership with local governments based on their needs for revitalizing regional economies. JICA will promptly promote implementation of partnership programs based on the proposals from local governments utilizing the supplementary budget for "revitalizing regional economies."
- (4) In conformity to the Japanese government's policy, JICA will accelerate partnership with Japanese private enterprises through enhancing and making full use of schemes such as Preparatory Survey for PPP Infrastructure Projects, Preparatory Survey for BOP Business Promotion, and Small and Medium-Sized Enterprise (SMEs) Partnership Promotion Survey. Furthermore, JICA will strive to identify the needs of public-private partnership and reinforce the transmission of related information.
- (5) JICA will strengthen partnership with Japanese private enterprises by launching a Pilot Survey for Disseminating SMEs technologies, conducting follow-up cooperation for JICA training participants, and hosting partnership seminars.

(B) Contribution to Japan's leadership in the international community

- (1) JICA will participate in setting trends in international development

assistance and formulating assistance plans for particular countries and regions as key partners, and thereby share JICA's experiences and approaches broadly in the international society.

- (2) JICA will strengthen strategic partnerships with emerging donors by promoting dialogues and communicating information on the issues of common concern. At the same time, JICA will enhance triangular cooperation.
- (3) JICA will share operational strategies on country/region/sector with other donors and promote collaboration at program/project level with other organizations including international organizations.

[7] Cross-cutting issues in operations

(A) Environmental and social considerations

- (1) JICA will conduct appraisal of projects and confirm the results of monitoring of projects on environmental and social considerations by applying the JICA Guidelines for Environmental and Social Considerations with the involvement of third parties.
- (2) JICA will conduct training on the JICA Guidelines for Environmental and Social Considerations for JICA staff at the headquarters and overseas offices, JICA experts, consultants, and officials of partner country governments.

(B) Gender equality

- (1) JICA will continue to share information within JICA on good practices to enhance gender mainstreaming in the operations of each section. JICA will also conduct lectures on the gender equality for JICA staff, JICA experts and external relevant parties so that project management and activities will be carried out with gender perspective integrated properly.
- (2) Through monitoring priority gender projects, JICA will formulate and select good projects in gender mainstreaming and feedback the information to other operations.

(C) Operations evaluation

- (1) JICA will conduct ex-post project evaluations steadily and promote utilization of suitable recommendations and lessons. Furthermore, JICA will conduct thematic evaluations to distribute broadly within JICA the lessons from more detailed analysis of many projects.
- (2) JICA will release the Annual Evaluation Report in a reader-friendly way including announcements on the JICA website. JICA will improve the search functions of the JICA website on project evaluation results by increasing the numbers of evaluation reports and evaluation summary tables that are published on the JICA website.
- (3) JICA will promote establishment of outcome indicators as well as incorporation of lessons from the past operations at the stage of ex-ante evaluation. JICA will conduct impact evaluation to assess in detail the extent of the impacts made by a project and widely share the evaluation results within JICA.

(D) Reinforcement of safety measures

- (1) JICA will conduct an orientation on safety measures for all relevant persons prior to their dispatch and during their stay in developing countries.
- (2) On operations including facilities construction, JICA will ensure that the governments and the executing agencies of the partner countries, consultants and contractors will make every possible effort to enforce safety measures. In addition, JICA will support those parties, if necessary. For those purposes, JICA will make sure the JICA staff is familiar with the reference manual regarding safety measures, give advice to contractors through on-sight survey, and start a study on formulating a guideline for safety management of construction work.

(E) Response to request from the competent minister in case of urgent necessity

JICA will take immediate action in response to a request from the competent minister based on Article 40 in the Act of the Incorporated Administrative Agency Japan International Cooperation Agency.

2 Measures to be taken to achieve the objective regarding improvement of the efficiency of the administration of operations

[1] Improving flexibility in organizational management

- (1) In order to quickly respond to the Japanese government's policy on ODA and the assistance needs of each region/country and to conduct operations strategically and effectively, JICA will review its organizational structure at the headquarters and the functions and roles to be fulfilled by each section. Especially, JICA will improve the institutional arrangements to respond properly to promotion of overseas activities by Japanese small and medium-sized enterprises and the officially-resumed Private Sector Investment Finance.
- (2) JICA will review the arrangement of overseas offices for optimization by taking the following into consideration: changes in international political, economic and security situations of developing regions, the duration of project implementation, and residents who require safety considerations. JICA will respond properly to the decision of the Administrative Reform Promotion Council on enhancing collaboration with other international operation agencies of Japan.
- (3) JICA will strengthen the functions to support overseas operations through such measures as clarification of roles and training of national staff, proper assignment of personnel in overseas offices in accordance with their needs, and reinforcement of the headquarters' function to support overseas offices.
- (4) JICA will review the function of the JICA Global Plaza to establish its functional structure in line with its required roles. JICA will review the structure of the Kansai International Center to deal with the changes in operations after integration of the former Osaka International Center and the former Hyogo International Center. Moreover, JICA will review the Training Program in Japan and then consider the roles and functions of the Tokyo International Center and the Yokohama International Center.
- (5) In order to play the role as the "nexus" among various actors in Japan, JICA, through its domestic offices, will strengthen partnerships with companies, NGOs, private enterprises, local governments and universities and conduct characteristic activities by making use of features of each domestic office. On partnership with private enterprises in Japan, JICA will carry out activities which are also beneficial to small and medium-sized enterprises in particular. Through these measures, JICA will continuously aim at the goal of approximately 470,000 users of domestic offices even after their integration.

[2] Proper and fair management of organization and operation

(A) Increasing competitiveness and transparency of contracts

- (1) From the viewpoint of ensuring proper contracts, including improvement of competitiveness, JICA will carry out periodic monitoring and analysis of contracts and examination by the Contract Monitoring Committee as measures to reduce cases of single-party bids and applications. For further improvements in the procedures of contracts with consultants, JICA will review various procurement systems such as proposal evaluation, inspections by a supervisor, and results evaluation. JICA will also enhance dialogues with companies through briefing meetings and continue trials of implementation and monitoring of the comprehensive evaluation bidding method.
- (2) From the viewpoint of ensuring proper contracts, including improvement of competitiveness, JICA will monitor the data on the negotiated contract without competitiveness, reflect it in the guideline, and continue inspection of the negotiated contract without competitiveness by the Contract Monitoring Committee.
- (3) From the viewpoint of improving the transparency of contracts, JICA will continue and consolidate the past measures such as disclosing the process, criteria, and results of selection of contracting partners and the outcomes of a contract with corporations with which JICA has had certain relationships. JICA will also consolidate the external audit system of contracts with consultants.
- (4) For proper operations, JICA will continue such measures as random inspections of subcontracting agreements regarding the contracts with consultants. JICA will also aptly investigate information on wrongdoing

and take strict measures in the event any wrongdoing has been identified and confirmed.

- (5) In contracting with associated public service corporations, JICA will basically conduct competitive bidding, allowing a non-competitive negotiated contract only when absolutely unavoidable, and take measures to reduce single-party bids and applications. Furthermore, JICA will strive to improve the transparency of any contract through disclosing the record of a contract with a corporation with which JICA has had certain relationships.

(B) Improving governance and transparency

- (1) JICA will conduct audits by accounting auditor and strengthen internal control.
- (2) JICA will conduct internal audits under a systematic method with full consideration for risks particular to types of operations, which will contribute to improvements in management and supervision of operations.
- (3) JICA will undertake concrete measures in response to the issues derived from audits by the auditors and monitor how the measures are enforced.
- (4) JICA will maintain and improve the internal control environment by risk monitoring based on the annual work plan of each section. In order to control the risks to the entire organization, JICA will reinforce coordination among the existing systems that constitute a framework of internal control and disseminate information on the framework within JICA. JICA will periodically hold the Board of Directors meeting for internal control and various committee meetings related to risk management and then feedback the results of meetings and responses against risks to each section. Through a series of such measures, JICA will strengthen the functions of internal control including risks particular to financial operations.
- (5) JICA will continue measures to make the internal whistle-blowing system known throughout JICA and respond to whistle-blowing reports.
- (6) Based on the results of external audits, JICA will improve information security management by utilizing the Plan-Do-Check-Act (PDCA) cycle which consists of improvements, compliance, training, inspection of rules and regulations, holding meetings of the information security committee, and feedback of countermeasures.
- (7) JICA will carry out its own evaluation by involving external knowledgeable persons on the achievements executed based on the annual plan. JICA will then share its results within JICA, and reflect in subsequent operations management.
- (8) JICA will appropriately operate the system for collecting suggestions to improve JICA's operations from experts, volunteers, and organizations entrusted with operations.

(C) Streamlining and optimizing administrative operations

- (1) In order to streamline and simplify administrative procedures, JICA will standardize various documents concerning general contracts, calculate properly based on the new calculation system for contracts with consultants, and distribute public advertisement materials through the JICA website.
- (2) JICA will streamline the administrative work for equipment procurement and compile practical knowledge of equipment procurement in a guideline.
- (3) JICA will prepare reference materials concerning procurement procedures in the overseas office and dispatch short-term procurement supporting staff to train national staff and improve procurement systems of overseas offices.
- (4) JICA will formulate measures for more efficient procedure for dispatch of JICA experts, including the travel system and dispatch allowance system.
- (5) JICA will enhance the efficiency of administrative work of training and dialogue program by reviewing the evaluation process and the outsourcing contract.
- (6) JICA will review procedures for volunteer program, revise their rules and enable staff at overseas offices to know their revision. JICA will

also improve the information system on procedures of volunteer program to speed up the procedure.

[3] Cost efficiency, appropriate level of salary, and proper review of assets

(A) Cost efficiency

For management expenses grants, JICA will achieve higher efficiency of more than 1.4% over fiscal 2012 in the total of the general administrative expenses and the operating expenses (excluding special operating expenses and one-time items) except the personnel cost which will be reviewed based on the item below.

(B) Appropriate level of salary

JICA will introduce measures to realize an appropriate salary level according to plans and disclose the results of the review and the progress of the measures. JICA will take proper action on the total personnel cost based on the Government policy and will review the overseas allowance in reference to the examples of the national government and private enterprises.

(C) Proper review of assets

JICA will continue to disclose detailed information on its assets. JICA will review its assets and investigate their necessity. JICA will take appropriate measures on staff housing in conformity with the Government's policy concerning the review of the staff housing of the incorporated administrative agency. JICA will continue to explore effective usage of the partly-owned property in the Takebashi Godo Building.

3 Budget (including an estimate of the personnel cost), revenue and expenditure plan, and capital plan (excluding the Finance and Investment Account)

(1) From the viewpoint of enhancing financial transparency, JICA will continue to review and make preparations for improvements in the disclosure method of segment information. JICA will disclose post-review segment information in the Financial Statements for fiscal 2012.

(2) JICA will secure, manage and operate self-income properly.

(3) JICA will utilize the management expenses grants and subsidies for facilities which have been additionally allocated according to the fiscal 2012 supplementary budget (No. 1) for technical cooperation related to overseas activities by small and medium-sized enterprises and local governments of Japan and the improvement of JICA's facilities to prevent and mitigate disaster risks, with a recognition that those grants and subsidies have been allocated for reconstruction and disaster management measures, creation of wealth by growth, and security of livelihoods and vitalization of local areas in Japan by the Emergency Economic Measures for the Revitalization of the Japanese Economy (January 11, 2013).

4 Short-term loan ceilings

General Account: 62 billion yen

Finance and Investment Account: 220 billion yen

Reasons:

The General Account requires loans to avoid late payments of personnel expenses to staff members and operational expenses in the event of an approximately 3-month delay in the receipt of the management expenses grants from the Japanese government.

The Finance and Investment Account requires loans to deal quickly and efficiently with events such as short-term funding gaps involving short-term loan repayments and the collection of loans receivable, temporary funding when Fiscal Investment Loan Program agency bonds are issued, rapid changes in the amount of loans extended, and other events.

5 Plan for disposing of assets that are unnecessary or expected to become unnecessary

JICA will sell 33 units used for staff housing and reimburse the Japanese government for these assets by paying an amount calculated according to the standards described by the competent minister. JICA will transfer the property at Hiroo to the Japanese government by the

end of fiscal 2013. JICA will proceed with plans to dispose staff housing units at Tokorozawa, Tsukuba (outside the Tsukuba International Center's compound), and Komagane (outside the Komagane Training Center's compound).

6 Use of surplus funds (excluding the Finance and Investment Account)

If there is any surplus, it will be allocated to the expenses required for improvements in activities and facilities/equipment which will be useful for operational improvements while carefully observing the progress of the Mid-term Plan.

7 Other items related to operations management stipulated by ordinances of the competent ministry

[1] Facilities and equipment

JICA will improve and repair old facilities and equipment according to the necessity caused by their aging.

[2] Personnel planning

(1) JICA will continuously enrich the contents of training for evaluators, conduct an annual staff performance appraisal properly, and make sure that the evaluation results of the preceding year be appropriately reflected in personnel treatment.

(2) JICA will assign staff properly by putting the right person in the right place, and thereby improve the effectiveness and efficiency of its operations and further strengthen its overseas offices.

(3) JICA will review to expand the consultation system concerning career development. Besides that, JICA will expand opportunities for capacity development of staff taking new needs such as financial literacy into consideration: JICA will improve the stratified training and various specialized training including secondment to international organizations. Additionally, JICA will improve core skills training for JICA staff.

(4) JICA will enhance measures for staff members to keep sound between overseas assignments and family life.

[3] Matters related to the handling of assets obtained from the disposal of reserve funds and the collection of loan payments

(1) The reserve funds brought forward from the previous Mid-term Objectives period shall be allocated to the contracts (excluding Loan Assistance operations) for which liabilities extend beyond the Mid-term Objectives period for unavoidable reasons in the immediately preceding Mid-term Plan and to accounting treatment concerning the amount that affects profits and losses in the account for transitional functions, etc. that were recorded during the previous Mid-term Objectives period. Furthermore, the amount approved by the competent minister based on Article 31 in the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency shall be allocated to the funds for expenses.

(2) The portion approved by the competent minister based on Additional Clause 2 in the Enforcement Ordinance for the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency (Cabinet Order No. 409 in 2003) out of the debts and funds collected during the previous Mid-term Objectives period shall be allocated to improvements and repairs of the facilities and equipment.

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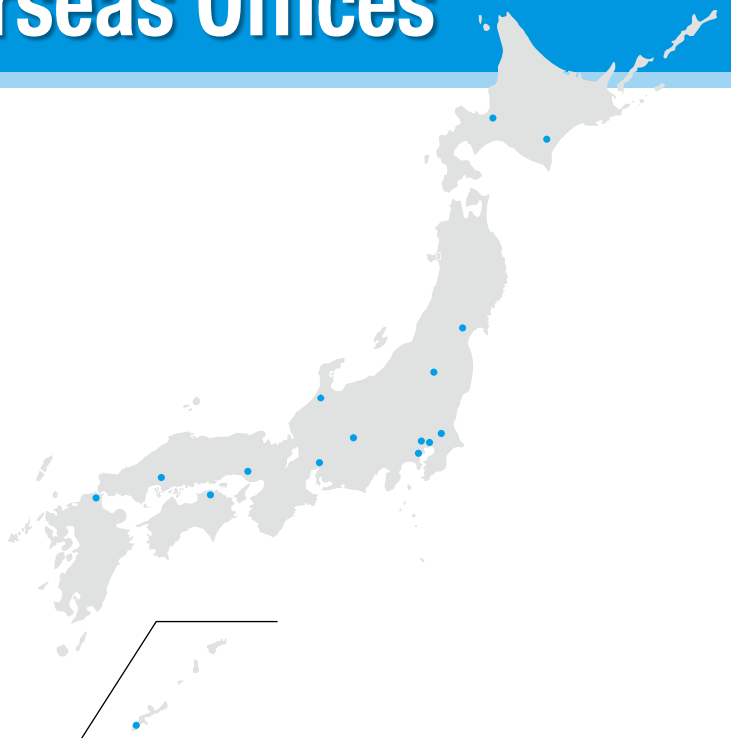
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 Bhutan Office
 Cambodia Office
 China Office
 India Office
 Indonesia Office
 Kyrgyz Republic Office
 Laos Office
 Malaysia Office
 Maldives Office
 Mongolia Office
 Myanmar Office
 Nepal Office
 Pakistan Office
 Philippines Office
 Sri Lanka Office
 Tajikistan Office
 Thailand Office
 Timor-Leste Office
 Uzbekistan Office
 Viet Nam Office

Pacific

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 Micronesia Office
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 Papua New Guinea Office
 Samoa Office
 Solomon Islands Office
 Tonga Office
 Vanuatu Office

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Argentine Office
 Belize Office
 Bolivia Office
 Brazil Office
 Chile Office
 Colombia Office
 Costa Rica Office
 Dominican Republic Office
 Ecuador Office
 El Salvador Office
 Guatemala Office
 Honduras Office
 Jamaica Office
 Mexico Office
 Nicaragua Office
 Panama Office
 Paraguay Office
 Peru Office
 Saint Lucia Office
 Uruguay Office
 USA Office
 Venezuela Office

Africa

Benin Office
 Botswana Office
 Burkina Faso Office
 Cameroon Office
 Côte d'Ivoire Office
 Democratic Republic of Congo Office
 Djibouti Office
 Ethiopia Office
 Gabon Office

Ghana Office
 Kenya Office
 Madagascar Office
 Malawi Office
 Mozambique Office
 Namibia Office
 Niger Office
 Nigeria Office
 Rwanda Office
 Senegal Office
 South Africa Office
 South Sudan Office
 Sudan Office
 Tanzania Office
 Uganda Office
 Zambia Office
 Zimbabwe Office

Middle East

Egypt Office
 Iran Office
 Iraq Office
 Jordan Office
 Morocco Office
 Syria Office
 Tunisia Office
 Office in Gaza
 Yemen Office

Europe

Balkan Office
 France Office
 Turkey Office
 UK Office

Please refer to the JICA website for contact information regarding each overseas office.

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Overseas Offices

<http://www.jica.go.jp/english/contact/overseas>

Glossary

A African Union (AU)

The world's largest regional organization consisting of 54 member countries and regions in Africa. The AU is based in Addis Ababa, Ethiopia's capital city. The AU was inaugurated with the reorganization and enhancement of the Organization of African Unity (OAU) in July 2002. In January 2010, the New Partnership for Africa's Development (NEPAD) was integrated into the AU. The organization has since increased its role in development activities.

Asian Development Bank (ADB)

An international financial institution whose purpose is the promotion of economic and social development in Asian countries. ADB carries out lending on a semi-commercial basis.

B Base of the Pyramid (BOP)

People living in poverty with incomes below US\$3,000 a year. Approximately four billion people around the world are estimated to form the BOP. "BOP business" refers to business which has the potential to improve a variety of issues that face people in poverty in developing countries as well as people who are excluded from society and development processes.

Biodiversity Hot Spot

Regions with significant reservoirs of biodiversity where the activities of people have created the danger of the destruction of biodiversity. A concept originated by Professor Norman Myers of Oxford University, this term refers to areas that have at least 0.5% or 1,500 species of vascular plants where at least 70% of these species have lost their original habitat. There are 25 areas that qualify under this definition, with nine other possible candidates in the world.

C Capacity Development (CD)

The process by which a developing country strengthens its own capacity for solving development issues. In contrast to capacity building, which is driven from the outside, capacity development refers to the endogenous process of a developing country improving the capacity of individuals, institutions, systems and society as a whole. JICA's cooperation plays a role in supporting developing countries' efforts at capacity development as a facilitator for such efforts.

Counterpart

Refers to government officials and technicians from partner countries in international cooperation projects who receive policy advice and technology transfer through such projects.

D Developing Countries

Countries whose level of economic development is low compared with developed countries. JICA generally uses it in reference to countries and regions of the DAC List of ODA Recipients.

Development Assistance Committee (DAC)

One of the three major committees of the Organisation for Economic Co-operation and Development (OECD). It is comprised of aid donor countries to discuss issues surrounding aid, development and poverty reduction in developing countries. Japan became a member in 1964 at the same time it became a member of the OECD.

E Education for All (EFA)

An international initiative commenced in 1990 with the aim of providing education opportunities to people around the world. Specifically, the current EFA has established six goals to be achieved by all countries and regions by 2015, including ensuring access to and complete free and compulsory primary education, eliminating gender disparities in education, and achieving a 50% improvement in levels of adult literacy (The Dakar Framework for Action).

Emerging Countries

Developing countries which achieved rapid economic growth in recent years in such regions as Central and South America, Southeast Asia and Eastern Europe.

F Food and Agriculture Organization of the United Nations (FAO)

A specialized agency of the United Nations. FAO's mission is stated as: "achieving food security for all is at the heart of FAO's efforts—to make sure people have regular access to enough high-quality food to lead active, healthy lives."

G Governance

This refers to the building and management of a country's overall framework of institutions to facilitate stability and development. Good governance should enable the efficient mobilization, allocation and management of

a country's resources while also reflecting the will of its citizens. Governance also refers to a government's systems for cooperation between government agencies, civil society and the private sector as well as mechanisms for decision-making. Governance encompasses three main dimensions—the national political system, the capability of the government to formulate and implement policy, and systems relating to the interaction between the government and civil society and the private sector.

Gross National Income (GNI)

The total value of goods and services produced by the citizens of a country domestically and overseas during a specified period.

I Inclusive Development

A development approach in which everyone receives benefits. JICA has for many years been guided by the vision of "Inclusive and Dynamic Development." The aim is to use inclusive development to achieve poverty reduction through sustained growth. To accomplish this, JICA strives to enable as many people as possible to participate in "the growth process" broadly and equitably in order to receive benefits.

International Monetary Fund (IMF)

A United Nations specialized agency whose purpose is to provide comparatively short-term funding facilities to member countries necessary to ensure trade payments and other normal financial flows are maintained.

L Least Developed Countries (LDC)

Countries that have been designated by the U.N. General Assembly as significantly lagging in development based on standards established by the U.N. Committee for Development Policy (CDP). These countries have a per capita GNI of less than \$992, are falling behind in human resources development, and have extremely fragile economies. The LDC list is reexamined once every three years. There are currently 49 LDCs: 34 in Africa, 14 in Asia and one in Latin America.

M Master Plan

The basic plan for the implementation of many types of long-term development projects.

Medium-developed Countries

Countries with a per capita GNI between \$3,976 and \$6,925 (based on U.N. and World Bank categories).

Millennium Development Goals (MDGs)

These serve as the goals of the international community for the 21st century. They draw together the United Nations Millennium Declaration and earlier international development targets agreed at major international summits during the 1990s, forming a unified common framework. There are eight MDGs, which the international community has agreed to achieve by 2015.

N New Growth Strategy

A policy for promoting the growth of the Japanese economy. The Japanese government announced the basic policies in December 2009. The six strategic areas are: Strategy for becoming an environment and energy power through green innovation; Health power strategy through life innovation; Asian economic strategy; Strategies for promoting a tourism-oriented nation and local revitalization; Science-and-technology-oriented nation strategy; and Employment and human resources strategies.

O ODA Graduate Country

Countries removed from the List of ODA Recipients created by the OECD Development Assistance Committee (DAC) due to an increase in income or for other reasons. This list is reexamined once every three years. Countries that have recorded a per capita GNI above the middle-income country level for the previous three consecutive years or that meet other conditions are removed from the list.

ODA Review Final Report

A set of recommendations presented by the Ministry of Foreign Affairs in June 2010 regarding the way forward for ODA in view of the changes in the domestic and international environments. The report discusses, among other items, the ODA philosophy, priorities, strengthened cooperation with the private sector and NGOs, strategic and effective aid, information disclosure, and wider public participation in ODA activities.

One Stop Border Post (OSBP)

The OSBP is one method for performing customs operations so that all procedures are unified and efficient. Completing import and export procedures at once for both the exporting and importing countries reduces the time that cargo movements are interrupted, thereby contributing to the smooth flow of goods. JICA is conducting projects for establishing OSBP systems in eastern Africa and other regions.

P Public Private Partnership (PPP)

Utilizing the private sector for the provision of public services, PPP is a method of

implementing programs through the coordination of the public and private sectors. It includes a wide range of schemes which are tailored to the level of participation of the private business, ranging from a simple consignment of a project to build-operate-transfer (BOT) and full privatization. "PPP infrastructure project" refers to infrastructure projects implemented through PPP.

S Sound Material-Cycle Society

A society that decreases consumption of natural resources and reduces the environmental burden. To establish a recycling-oriented society, the Japanese government established the Basic Act on Establishing a Sound Material-Cycle Society in 2000 in place of the traditional concept of the mass production, mass consumption and mass disposal society. The practical action guideline for realizing this sound material-cycle society called for the 3Rs of reduce (smaller volume of waste materials), reuse (reuse of resources) and recycle (recycling as resources).

South-South Cooperation

The implementation of cooperation programs for least developed countries lagging behind in development by developing countries which are relatively more developed through the use of their own development experience and human resources.

Special Terms for Economic Partnership (STEP)

Terms for ODA Loans introduced in 2002 to raise the visibility of Japan's ODA through technical transfers for developing countries by utilizing Japan's advanced technologies and know-how. More concessional terms are applied compared with Japan's tied procurement and other loan terms.

Strategy for Infrastructure-related System Exports

The government of Japan held the first Ministerial Meeting on Strategy relating to Infrastructure Exports and Economic Cooperation in March 2013. Participants discussed assistance for Japanese companies regarding their overseas operations involving infrastructure-related systems and their purchases of mineral resources and interests in overseas mines. Important subjects involving overseas economic cooperation were also discussed. The meeting was the beginning of a dialogue to determine ways for providing this assistance in a strategic and efficient manner. In May, infrastructure-related system exports became the third central element of Japan's growth strategy with the goal of tripling overseas infrastructure orders

at Japanese companies to ¥30 trillion by 2020. In conjunction with this decision, the Ministry of Land, Infrastructure, Transport and Tourism, Ministry of Economy, Trade and Industry, and other Japanese ministries and agencies are taking actions concerning the infrastructure-related system export strategy and strategic economic cooperation.

T Tokyo International Conference on African Development (TICAD)

An international forum focusing on African development. Since 1993, TICAD has been co-hosted by the Government of Japan together with the United Nations, the United Nations Development Programme (UNDP), the World Bank and other agencies. TICAD has been held every five years, and TICAD V was held in Yokohama in June 2013.

Triangular Cooperation

The implementation of cooperation programs by donor countries or international aid organizations, jointly with other developing countries, aimed at the further development of other developing countries.

U United Nations Children's Fund (UNICEF)

A United Nations organization which provides assistance to children with a focus on health in developing countries, through improving nutrition, supplying drinking water, promoting the welfare of mothers and children, and providing education, among other approaches.

W World Bank

The world's largest development assistance agency. Carries out lending to member-country central governments and agencies that have received debt guarantees by those governments.

World Food Programme (WFP)

The United Nations' food aid agency, which strives to eradicate hunger and malnutrition.

World Health Organization (WHO)

A United Nations specialized agency whose purpose is to combat disease on a worldwide scale and enhance health and nutritional standards through international cooperation.

World Trade Organization (WTO)

An international organization established in 1995 to promote non-discriminatory free trade.

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