



# JICA 2014

JAPAN INTERNATIONAL COOPERATION AGENCY  
ANNUAL REPORT



# JICA at a Glance

JICA's Contributions in Figures



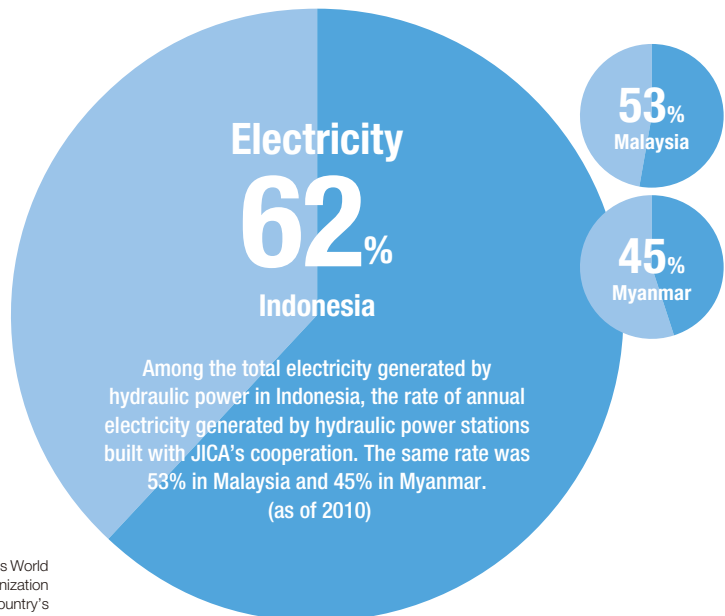
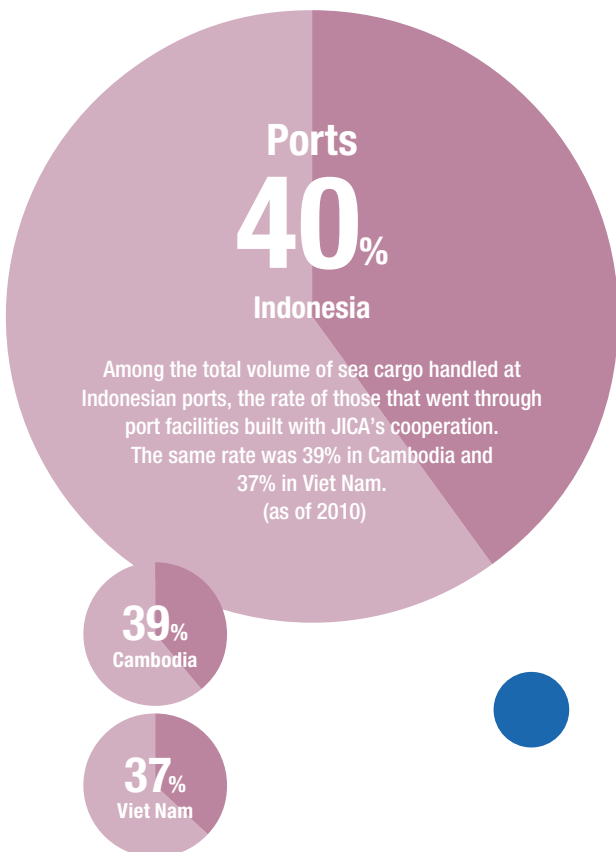
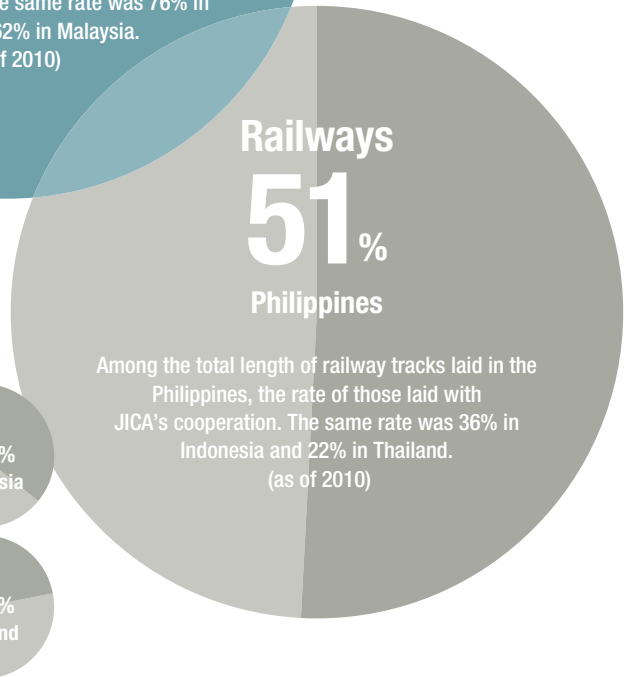
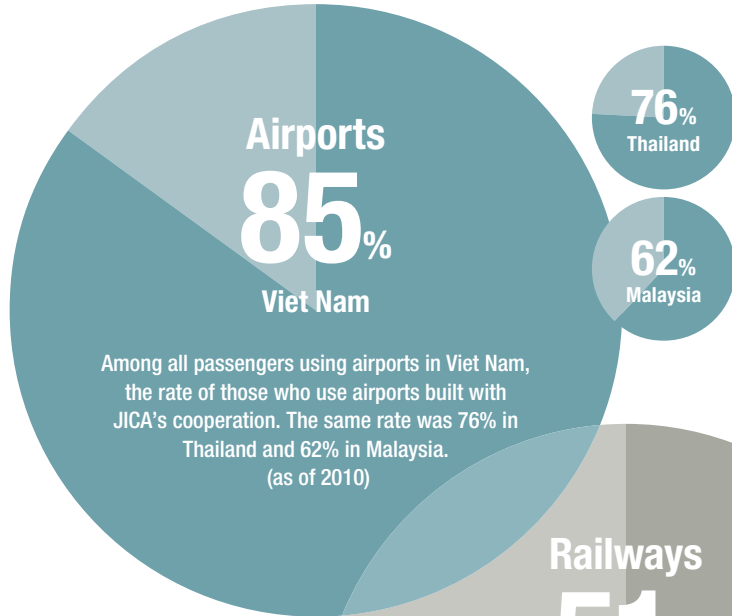
## Contributions during 60 Years of International Cooperation

The year 2014 is the 60th anniversary of Japan's international cooperation and Official Development Assistance (ODA). JICA has contributed to enhancing capacities of country frameworks and people in developing nations, by improving infrastructure and training human resources, for the purpose of supporting development from both hard and soft aspects.

Here, we would like to introduce JICA's contributions to infrastructural and human resources development in the ASEAN region, on which JICA's cooperation has put always high priority.

Related articles

Interview with JICA President  
Pages 6-10



Source: Parameters used for each sector were obtained mainly from data of the World Bank's World Development Indicators (WDI), as well as data collected by the Food and Agriculture Organization (FAO) of the United Nations, the United States Central Intelligence Agency (CIA) and each country's census and statistics department.

## Contribution to MDGs

Millennium Development Goals (MDGs), including reduction of the number of people living in extreme poverty by half within 15 years from 2000 to 2015, are shared goals of the international community. The following are some of the results that JICA had achieved as of 2013, with two years left until the target year of 2015.

Related articles

Millennium Development Goals (MDGs)  
Pages 62-63

### Number of Experts Dispatched

# 136,500

The cumulative total of experts dispatched for technical cooperation in developing countries. (as of 2013)

### Number of Training Participants Accepted

# 538,000

The cumulative total of trainees who participated in JICA's training courses; among them, 314,000 attended courses in Japan. Many of the trainees were from administrative organizations in developing countries, including over 300 trainees who experienced serving as ministers and deputy ministers. (as of 2013)

### Number of Volunteers Dispatched

# 46,000

The cumulative total of volunteers that JICA has dispatched. They were dispatched to a total of 96 countries. (as of 2013)

### Goal 1 Eradicate Extreme Poverty and Hunger

# 2.15 million ha

Area of land newly irrigated with JICA's cooperation. Equivalent to 10 times the size of the Tokyo Metropolis. (the sum of the irrigated areas under cooperation projects evaluated in 2000–2012)

### Goal 2 Achieve Universal Primary Education

# 11,500 schools

The number of primary and secondary schools newly built, with 83,000 classrooms. Approximately 4.12 million students studied at these schools. (fiscal 1990–2012 results)

Cooperation in the educational field was provided to 144 countries so far. Among them, cooperation in mathematics and science education was provided to 92 countries. (cumulative total as of 2012)

### Goal 4 Reduce Child Mortality

# 40.4 million doses

The number of vaccinations for diseases such as measles and polio for which decisions to provide vaccination were made in fiscal 2013.

# HIGHLIGHTS 2013

## Major Topics of Fiscal 2013



Signing ODA Loan agreements for a total amount of ¥51 billion.

May-June, 2013

## Assisting Further Change in Myanmar, Asia's Last Frontier

Providing ODA Loans for the First Time in 25 Years

JICA has expanded its assistance for the Myanmar government's efforts to make various changes by integrally providing a variety of ODA projects. In May 2013, Prime Minister Abe paid an official visit to Myanmar, which was the first visit by a Japanese prime minister in 36 years, where he announced that the Japanese government and the private sector would give support to Myanmar with concerted effort. In June, ODA Loans for three projects were provided for the first time in 25 years. JICA will continue its assistance so that people in Myanmar can enjoy the benefits of the changes being made.

Related articles

Annual Report → page 25, 104 (Case Study), 135 (Case Study)  
JICA website → News & Features > Press Releases > June 7, 2013



A scene at the plenary session of the Fifth Tokyo International Conference on African Development.

June 2013

## The Fifth Tokyo International Conference on African Development Held in Yokohama

Strengthening Support for Inclusive and Dynamic Development

The Fifth Tokyo International Conference on African Development (TICAD V) was held in Yokohama on June 1-3, where the Yokohama Declaration 2013 and the Yokohama Action Plan 2013-2017, which present a future direction for African development for the next five years, were issued. JICA, as a major implementing agency of Japan's TICAD V commitments, will extend its support for inclusive and dynamic development in Africa, based on the three pillars of robust and sustainable economy, inclusive and resilient society, and peace and stability.

Related articles

Annual Report → page 50  
JICA website → News & Features > Press Releases > May 31, June 3, 2013



The subway crossing the strait has become the people's means of transportation, carrying 1.5 million people a day.

Related articles

Annual Report → page 61 (Case Study)  
JICA website → News & Features > Press Releases > October 30, 2013/ News > January 24, 2014

JICA website <http://www.jica.go.jp/english/>

October, 2013

## Completion of the Bosphorus Rail Tube Crossing

Using Japanese Technology, Constructing an Underground Tunnel to Cross the Strait, Which Has Been Turkey's Dream for 150 Years

In the presence of Turkey's then President Gül, then Prime Minister Erdoğan, and Japan's Prime Minister Abe, an opening ceremony was held for the 90th anniversary of the establishment of the Republic of Turkey in October 2013. This is an ODA Loan project to support construction of a subway to connect the east (Asia) and the west (Europe) sides of Istanbul across the Bosphorus, and Japanese advanced technology was used to construct the world's deepest immersed tube tunnel, 60 meters below the ocean bed. Crossing the strait, which took nearly 30 minutes by ferry, is now shortened to 4 minutes with the opening of the subway. A decrease in chronic traffic congestion and air pollution caused by sources such as car exhaust is expected.



November, 2013

## Supporting the Philippines, Stricken by Typhoon Haiyan

Providing a Variety of Cooperation by Making Use of Experiences from the Great East Japan Earthquake

The Japan Disaster Relief Team provided various forms of support, including dispatch of medical teams, to the Philippines, which was stricken by Typhoon Haiyan in November 2013. Based on experiences gained at the time of the Great East Japan Earthquake, the team proactively paid medical visits to villages which were lacking support in the affected areas. X-ray and other inspection equipments carried in from Japan were also used by other foreign teams, thus contributed widely to on-site medical activities. In addition, JICA provided relief supplies such as tents, generators, water purifiers, and water, and dispatched expert teams to engage in activities such as dealing with oil spillage from ships stranded by the typhoon and conducting research, reporting, and making suggestions for rapid recovery. JICA will continue to focus on seamless support for reconstruction and will provide support for the Philippines' recovery and strengthening capacity for disaster risk reduction.

Japanese-style support: medical members of the Japan Disaster Relief Team put themselves in sufferers' shoes when performing medical examinations.

**Related articles** Annual Report → page 23, 121 (Case Study), 135 (Case Study)  
JICA website → News & Features > News > January 10, 2014



A scene of "The Future of Asia" Special Symposium: "ASEAN 2025 — Vision and Challenges for ASEAN in the Future," co-organized by JICA and Nikkei Inc.

## 40 Years of Ties between Japan and ASEAN

December, 2013

Toward Strengthening of the Partnership and Enhancement of Unity within ASEAN

The year 2013 was the 40th anniversary of Friendship and Cooperation between the Association of Southeast Asian Nations (ASEAN) and Japan. The ASEAN-Japan Commemorative Summit Meeting was held in December. The Japanese government announced a total of ¥2 trillion in ODA provision over the next five years to support ASEAN's initiatives, including enhancement of connectivity and narrowing of the development gap within the region toward the establishment of the ASEAN Community in 2015. JICA held commemorative events in various countries and locations. On the first day of the summit meeting, JICA also co-hosted "The Future of Asia" Special Symposium, "ASEAN 2025 — Vision and Challenges for ASEAN in the Future," and the "Symposium on Pathways to Low Carbon and Efficiency in ASEAN," where challenges identified in a long-term simulation and other studies were presented, and lively discussions by the participants, including those from ASEAN countries, took place.

**Related articles** Annual Report → page 20  
JICA website → News & Features > News > January 14, 2014



At JICA Global Plaza, you can learn about the realities of developing countries through exhibits that you can see, listen to, and touch. (Photo by Tomohito Ishigo)

## Expanding Citizen Participation in International Cooperation

More than Ten Years Have Passed Since JICA Partnership Program Started / One Million People Have Visited the JICA Global Plaza

JICA Partnership Program is a technical cooperation program run in collaboration with partners in Japan such as NGOs to provide fine and careful cooperation on a grassroots level that might be left out of cooperative projects on a government-to-government level. On the occasion of the 10th anniversary of the program, JICA is planning to further strengthen partnerships with collaborative organizations such as NGOs and consider future directions to achieve effective collaboration.

More than one million people have visited the JICA Global Plaza, which was established in 2006 as a hub for citizen participation in international cooperation. The Partnership Program is an example of such participation. Many visitors enhance their understanding in the Virtual Global Experience Area, where the realities of developing countries and international cooperation are exhibited.

**Related articles** Annual Report → page 110, 112, 113 (Case Study)

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The Dominican Republic (Photo by Koji Sato)

### JICA Annual Report 2014 Figures and Maps

1. This annual report summarizes the activities of JICA in fiscal 2013 (April 1, 2013 to March 31, 2014)
2. The figures contained in the report are those for the fiscal year mentioned above in the case of JICA and for the calendar year 2013 (January 1, 2013 to December 31, 2013) in the case of ODA. Please note that some figures are provisional values and figures may vary according to the timing and method of calculation.
3. All sums indicated with a dollar sign (\$) refer to US dollars and are calculated at an exchange rate of \$1.00 = ¥97.6 (the official Development Assistance Committee [DAC] rate in 2013).
4. All maps contained in the report are approximate. National borders that are under dispute or unclear have been entered merely for convenience.

### Cover photos

- Bhutan: JICA's expert for agricultural development tends crops at an agriculture experimental station. (Photo by Kazuyoshi Nomachi)  
 Mali: Children study at a primary school built with Japanese Grant Aid. (Photo by Kenshiro Imamura)  
 Viet Nam: Nhat Tan Bridge (the Vietnam-Japan Friendship Bridge) under construction on the outskirts of Hanoi with an ODA Loan (Photo by Satoshi Takahashi)  
 Indonesia: Polio vaccination (Photo by Kenshiro Imamura)

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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.

# 60 Years of International Cooperation—JICA's Contribution

## Aiming for International Cooperation That Invigorates the World and Japan

2014 is the 60th anniversary of Japan's international cooperation and official development assistance (ODA); it is naturally a pivotal year for JICA, which implements Japanese ODA. As one of the most important diplomatic tools Japan has, ODA has brought about a wide variety of positive impacts on developing countries and regions around the world. It has also been useful in building long-term, mutually beneficial relationships between Japan and partner countries.

With this historical backdrop in mind, since assuming the presidency of JICA in April 2012, I have urged our staff to pursue international cooperation that invigorates not only developing countries, but also Japan itself. I have visited more than 40 countries, most of them developing countries, observed with satisfaction the progress of on-going projects and talked with people in partner countries.

I stressed in my 2014 message to our staff the importance of “dynamic implementation of our operations.” Dynamism is essential in our own activities, but it is also important in our partnership with all stakeholders: the private sector, universities, NGOs, local governments and many other partners. I would like to further develop those connections as flexibly as possible, and to implement dynamic operations that take full advantage of the collaboration with our partners, thus continuing to contribute to tackling the challenges of developing countries.

To realize JICA's vision of “inclusive and dynamic development,” we at JICA are committed to implementing our cooperation with all our partners. Thank you for your understanding and support for JICA's activities.

田中明彦

Akihiko Tanaka  
President  
Japan International Cooperation Agency (JICA)



**Q1** Looking back, what do you think about Japan's 60 years of international cooperation?

Japan's ODA has developed through different stages. The 60 year history can be roughly divided into three parts corresponding to Japan's roles and positions in the international community in the respective periods.

The first was the period of postwar recovery and reconstruction from the 1950s to the mid-1970s. During the process of postwar settlements of World War II, Japan joined in 1954 the "Colombo Plan," an international organization established to promote economic and social development, as well as to improve the standard of living, for the member countries in the Asia-Pacific region, thus starting technical cooperation by receiving trainees and dispatching experts. Japan provided its first ODA Loan to India in 1958.

Along with Japan's postwar reparations for Myanmar (then Burma), the Philippines, South Vietnam, and Indonesia, ODA played an important role in showing that Japan was becoming a responsible member of the international community. Japan, for example, constructed the Baluchaung hydroelectric dam in Myanmar and engaged in the development of the Brantas River Basin in Indonesia as part of our postwar reparations to these countries. Subsequently, Japan planned and implemented many ODA projects in many countries in Asia; some of them were follow-up projects to the reparations projects. As these projects were carried out by Japanese companies, they contributed to the recovery of the Japanese private sector and the Japanese economy.

The second period was the 20 years from the mid-1970s to the mid-1990s. After the high-speed economic growth of 1960s, Japan became a major economic power. As the international system went through series of crises, e.g. the "Nixon Shocks" of 1971 and the Oil Crisis of 1973, and as some countries complained about "friction" caused by Japanese exports in several sectors, Japan was required to play an appropriate international role.

ODA became an important means for Japan to fulfill its international responsibilities as Prime Minister Takeo Fukuda announced in 1978 the plan to double ODA in three years. Japan increased its ODA throughout the 1980s, becoming in 1989 the largest ODA provider in the world, eclipsing the United States; that status continued from 1991 to 2000.

The third period was the 20 years between the mid-1990s and today. After the end of the Cold War with such dramatic events as the fall of the Berlin Wall and the dissolution of the Soviet Union, Japan also needed

to redefine its international role in the new era. Economic globalization accelerated rapidly and an increasing number of countries experienced democratization. At the same time, lingering conflicts, especially domestic turmoil and civil wars, continued in various parts of the world, producing a large number of refugees and internally displaced persons. Global issues such as climate change became more and more serious.

ODA was obviously an important tool for Japan to cooperate with the international community in facing these challenges. To guide the direction of ODA in

ODA played an important role in showing that Japan was becoming a responsible member of the international community.

**Key points in Japanese international cooperation**

	Occurrence in Japan	Occurrence in the world
<b>1950</b>		Launch of the Colombo Plan
<b>1954</b>	Joins the Colombo Plan. Japan starts official development assistance.	
<b>1956</b>	Joins the United Nations.	
<b>1958</b>	Loan Aid (Japanese ODA Loan) begins.	
<b>1961</b>	The Overseas Economic Cooperation Fund (OECF) is established. <sup>1</sup>	The Organisation for Economic Co-operation and Development (OECD) is established.
<b>1964</b>	Joins the OECD.	
<b>1965</b>	Japan Overseas Cooperation Volunteers founded.	
<b>1973</b>		First oil crisis
<b>1974</b>	The Japan International Cooperation Agency (JICA) is established.	
<b>1976</b>	Payment of Japan's WWII reparations completed.	
<b>1978</b>	First Medium-Term Target of ODA announced: to double ODA in three years.	
<b>1979</b>	Japanese Emergency Relief operations begin.	
<b>1989</b>	Japan's ODA surpasses that of the United States to become the largest in the world. → Japan's ODA contribution is the largest in the world from 1991 to 2000.	
<b>1990</b>		The Persian Gulf War.
<b>1992</b>	ODA Charter formulated.	
<b>1997</b>	A large-scale assistance plan for Southeast Asia to cost \$30 billion is devised.	Asian financial crisis
<b>1999</b>	The Japan Bank for International Cooperation (JBIC) is established. <sup>2</sup>	
<b>2000</b>		Millennium Development Goals (MDGs) established.
<b>2001</b>	Reconstruction assistance to Afghanistan and Iraq strengthened.	September 11 Attacks
<b>2003</b>	ODA Charter revised. → "Human security" and "peacebuilding" become key words.	
<b>2004</b>	Seamless assistance for restoration and recovery in the affected areas	2004 Indian Ocean earthquake and tsunami
<b>2008</b>	JICA becomes the world's largest bilateral development institution, providing Technical Cooperation, Loan Aid and Grant Aid in a comprehensive manner. <sup>3</sup>	
<b>2011</b>	Great East Japan Earthquake → Japan becomes the world's largest recipient country.	
<b>2014</b>	60th anniversary of Japan's ODA	

1 A former organization of JICA (formerly JBIC) established as the executing agency for Loan Aid (Japanese ODA Loan and Private-sector Investment Finance).  
 2 A former organization of JICA (formerly JBIC) established through the merger of OECF and the Japan Export-Import Bank.  
 3 The new JICA was established through the merger of the former JICA, the part of the former JBIC responsible for overseas economic cooperation (Loan Aid) and a part of the Grant Aid that had been handled by the Ministry of Foreign Affairs.

“Human security” is the important concept that Japan embraced during the 1990s.

this new era, the Japanese government decided on its first ODA Charter in 1992. The important concept that Japan embraced during the 1990s was “human security.” Based on the idea that peace and stability are not achieved until each individual secures his or her dignity and freedom from fear and want, human security places people at the center of projects or programs of Japan’s ODA. JICA staff entered such countries as Afghanistan and Iraq to start recovery assistance immediately after the conflicts ended. In 2003, the ODA charter was revised to reflect the changes that had taken place since 1992 and incorporated “human security” as one of its guiding concepts.

For the past 10 years, the economic growth of developing countries has become more marked; Sub-Saharan Africa, for example, has also been enjoying growth. The private sector is playing a more important role in development in these countries. However, the issues of economic disparities and the social vulnerabilities have not been solved even in many middle-income countries; extreme poverty still exists not only in low-income countries but also in middle-

income countries.

The 60th anniversary of Japan’s international cooperation, therefore, poses JICA a big challenge, that is, how it will utilize its past experiences to tackle increasingly complex issues and how it will cooperate with various stakeholders — business, NGOs, local governments, universities and research institutions.

**Q2** What have been the strengths and distinguishing characteristics of Japan’s and JICA’s international cooperation throughout those 60 years of history?

Japan is one of the few countries that started ODA when it was still receiving assistance. Based on our experiences as an aid recipient, we have attempted to share with our partners what worked during the process of Japan’s reconstruction. We have come to the conviction that the spirit of “self-help” is essential in any process of international cooperation. In that process, we have also realized the importance of working together and finding solutions together with the people of partner countries. Here, the human element is crucial. The common characteristic of successful projects — the Brantas River Basin development, the Baluchaung hydroelectric dam, the development of Brazil’s Cerrado, the development of Thailand’s Eastern Seaboard, etc. — is the effective combination of finance (ODA Loans and Grant Aid) and human resource development through technical cooperation.

Another conviction that we have formulated through our experiences of reconstruction was the importance of economic growth for poverty reduction. In order to reduce poverty and prevent it from coming back, we need to realize quality growth by improving both hard infrastructure and soft infrastructure, such as human resources and effective and efficient socio-legal



When the Thai government was developing its east coast region beginning in the 1980s, Japan responded by providing assistance through development surveys and Japanese ODA Loan for such infrastructure as ports, industrial parks, roads and dams. That region developed into a major industrial area that is a leading force in Thailand’s development. The photo below is of Laem Chabang port, which was built with Japanese ODA Loan and today handles the most containers in Thailand. The photo on the left is of Laem Chabang in the 1980s when it was a small fishing village. (Photo by Yasutami Shimomura)



institutions. We are pleased that this type of effort of international cooperation has worked well in East and Southeast Asia, the areas that achieved sustained economic growth and that have realized significant poverty reduction.

In other words, people-to-people interaction is the essence of Japan's international cooperation. Over the course of 60 years, by dispatching 136,500 experts and 46,000 volunteers to developing countries and welcoming 310,000 participants in training programs in Japan, we have built relationships of mutual trust with our partner countries and contributed to both human development and nation-building.

**Q3** Please tell us about some initiatives that particularly made an impression on you among the projects in fiscal 2013.

Fiscal 2013 was a very significant year. Based on our 60 years of experiences and anticipating the prospects of the world in the coming 20 years, we worked hard to complete some important projects and started new projects.

Here are some examples. The tunnel under the Bosphorus strait and the subway system using the tunnel were inaugurated in October 2013. They are both examples of high-quality infrastructure development with Japan's advanced technology and of cooperation demanded by the era facing serious challenges of urban problems and climate change. The subway system can ameliorate traffic congestion, and reduce air pollution as well as greenhouse gas emissions.

In June, the Fifth Tokyo International Conference on African Development (TICAD V) was held. We, all the participants, affirmed the importance of improving infrastructure and developing regional growth corridors covering multiple countries to make Africa's rapid economic growth sustainable. At the same time, for poverty reduction, it is important to promote industries that are not dependent on natural resources. And, in this context, particularly in the field of agriculture, the participants agreed to two actions: 1) to continue the Coalition for African Rice Development (CARD), an initiative advancing a plan to double rice production, and 2) with a view to increasing the capacity of female farmers, to spread to other African countries the Small Horticulture Empowerment Project (SHEP), with which we have seen good results in Kenya.

Moreover, in 2013, we had two areas of challenge that we will continue to tackle.

One is disaster risk reduction. The major typhoon that struck the Philippines in November brought enormous damage.

Beginning with dispatching a Japan Disaster Relief



In 2013, we had two areas of challenge that we will continue to tackle: disaster risk reduction and peacebuilding.

Medical Team, JICA provided swift assistance for the restoration and reconstruction of the affected areas, and we are still working in the medium and long term based on the philosophy of "Build Back Better" — restoration and reconstruction to create a society more resilient to disaster. The UN World Conference on Disaster Risk Reduction will be held in Sendai, Japan, in March 2015. I think building societies that are resilient to disaster and calamity will be absolutely necessary in the coming years.

One more field is peacebuilding. In Mindanao, the Philippines, at the end of March 2014, the Philippine government and the Moro Islamic Liberation Front signed a comprehensive peace agreement and agreed to create a new political entity. I think the assistance JICA had continuously provided made a significant contribution to the road to peace. On the other hand, we regret very much that a civil war broke out just before we were to begin important works in South Sudan, where we had been proactively implementing projects. However, we will restart cooperation as soon as peace comes back. In the spring of 2014, we had to scale back our activities in Afghanistan because of the unstable situation surrounding the presidential election, but we plan to continue our cooperation there while paying attention to the safety situation.

**Related articles** Bosphorus Rail Tube Crossing Project in Turkey - Page 61 (Case Study)

**Related articles** Assistance to the Mindanao, the Philippines - Page 69 (Case Study)

**Related articles** Assistance for areas affected by the major typhoon in the Philippines - Pages 23, 121 (Case Study), 135 (Case Study)



The seminar Consolidation for Peace for Mindanao was held June 23 to 25, 2014, in Hiroshima City, a symbol of peace. From left are Kamarulzaman Askandar, professor, Universiti Sains Malaysia; Al-Hajj Murad Ebrahim, chairman of the Moro Islamic Liberation Front; Hidehiko Yuzaki, governor of Hiroshima Prefecture; Albert F. Del Rosario, secretary of the Department of Foreign Affairs, the Philippines; Benigno Aquino III, president of the Philippines; Akihiko Tanaka, JICA president; Teresita Quintos-Deles, secretary of the Office of the Presidential Adviser on the Peace Process (OPAPP); Professor Miriam Coronel-Ferrer, chair, the Philippines' Government Peace Panel; and Mohagher Iqbal, chair of the MILF Peace Panel.

#### Q4 What kind of international cooperation will JICA aim for to respond to the diverse needs and issues of ODA in the future?

While the international community is discussing the post 2015 development agenda, debate is taking place in Japan on revising the current ODA Charter. In response to these trends, as the comprehensive development institution responsible for the implementation of ODA, JICA will fully utilize its experiences, knowledge and ability to analyze situations of partner countries to carry out more effective and efficient cooperation, while achieving more transparency on and disseminating information about, its results both in Japan and abroad.

Japan has been emphasizing the importance of ownership on the part of the partner country and the need to support economic growth to reduce poverty. And today this Japanese philosophy on cooperation has been shared widely in the international community. JICA will continue to fulfill its mission with confidence while making use of its past experiences and knowledge.

Under the current circumstances, there emerge many common issues that both developed and



On a community road in Afghanistan paved with assistance from JICA

developing countries share. Tackling these issues together is important and mutually beneficial to both Japan and our development partners; this is exactly what I mean by “international cooperation that invigorates Japan by invigorating the world.”

A virtuous or positive circle of invigoration — that is, our cooperation invigorates our partner countries, then we can work jointly with the invigorated people of partner countries — energizes us. In other words, when our cooperation makes various economic activities active and dynamic in a partner country, Japan is invigorated by being a part of it. That expands the market of the partner country and it leads to the stimulation of Japan's economy. When our cooperation contributes to peacebuilding, the Japanese also can enjoy peace and security. In the long term, the knowledge, experiences in the field and irreplaceable interpersonal exchanges, which are all gained through international cooperation, will contribute to Japanese society.

JICA is committed to conducting international cooperation that invigorates both the world and Japan while staying close to the people of developing countries.

JICA is committed to international cooperation that invigorates the world and Japan while staying close to the people of developing countries.



Afghanistan: A woman working at a carpet factory (Photo by Sayad Jan Sabawoon)

# Program Goals and Overview

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# Japan's ODA

## ● 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).

## ● 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.

## ● 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

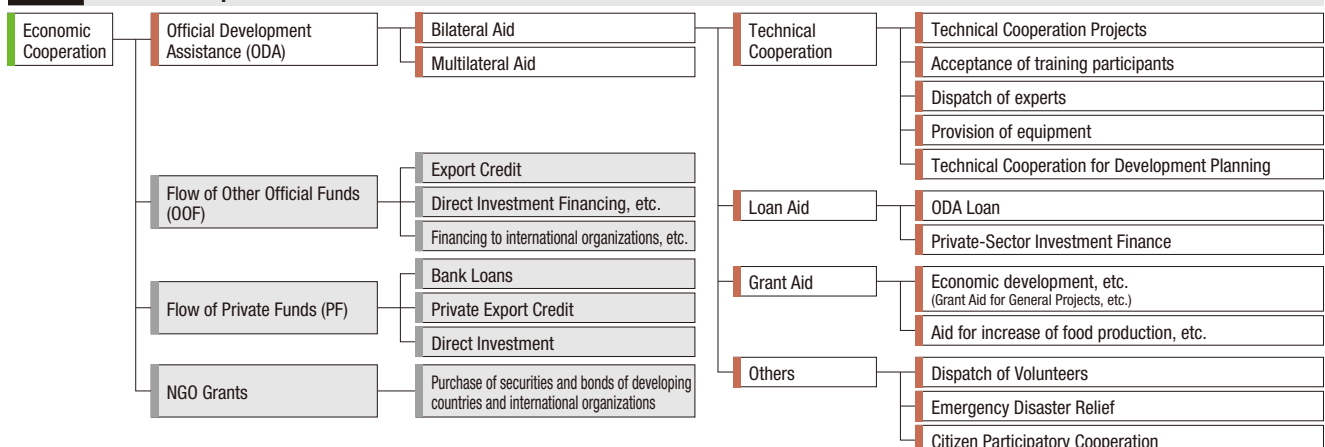
Loan Aid supports the efforts of developing countries to advance by providing these nations with the capital necessary for development under long-term and substantially lower interest rates than commercial rates. The primary types of Loan Aid are ODA Loans and Private-Sector Investment Finance. ODA Loans 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 large-scale basic infrastructure in developing countries.

Although Loan Aid requires full repayment by the recipient country, this 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

**Table 1 Economic Cooperation and ODA**



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 (General Cultural Grant Assistance and Grant Assistance for Cultural Grassroots Projects); Emergency Grant Aid; Food Aid; 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 134].

### ● 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).

### ● International Trends in Development Assistance

As exemplified by the Millennium Development Goals (MDGs) [→ see pages 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.

**Table 2** Japan's ODA in Calendar Year 2013 (According to Aid Type and Provisional Figure)

Type of Assistance (Calendar Year 2013)		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	Grants							
		Grant Aid	7,120.60	3,118.31	128.3	694.906	248.884	179.2	60.7
		Debt Relief	4,020.86	4.69	85,550.8	392.400	0.375	104,628.3	34.3
		Grants through International Organizations	1,725.17	1,395.19	23.7	168.361	111.355	51.2	14.7
		Grant Aid Excluding the Above	1,374.57	1,718.43	-20.0	134.145	137.154	-2.2	11.7
		Grant Aid (Excluding Disbursements for Eastern European and Graduate Countries)	7,120.60	3,117.46	128.4	694.906	248.816	179.3	60.4
		Debt Relief	4,020.86	4.69	85,550.8	392.400	0.375	104,628.3	34.1
		Grants through International Organizations	1,725.17	1,395.19	23.7	168.361	111.355	51.2	14.6
		Grant Aid Excluding the Above	1,374.57	1,717.58	-20.0	134.145	137.086	-2.1	11.7
		Technical Cooperation*	2,922.89	3,656.56	-20.1	285.248	291.843	-2.3	24.9
	Technical Cooperation (Excluding Disbursements for Eastern European and Graduate Countries)*	2,917.60	3,641.07	-19.9	284.732	290.607	-2.0	24.8	
	Grants Total	10,043.49	6,774.87	48.2	980.154	540.727	81.3	85.7	
	Grants Total (Excluding Disbursements for Eastern European and Graduate Countries)	10,038.20	6,758.54	48.5	979.638	539.423	81.6	85.2	
	ODA Loan and Other ODA Credits	-1,289.99	-423.20	-204.8	-125.891	-33.777	-272.7	-11.0	
	(ODA Loan and Other ODA Credits Excluding Debt Relief)	545.93	-418.63	230.4	53.278	-33.412	259.5		
	(Figures for Loans Provided)	9,748.31	7,740.16	25.9	951.348	617.770	54.0		
	(Figures for Loans Repaid)	11,038.30	8,163.36	35.2	1,077.239	651.547	65.3		
	(Figures for Loans Repaid Excluding Debt Relief)	9,202.38	8,158.79	12.8	898.070	651.182	37.9		
	ODA Loan and Other ODA Credits Excluding Disbursements of Eastern European and Graduate Countries	-1,224.09	-356.33	-243.5	-119.460	-28.440	-320.0	-10.4	
	(ODA Loan and Other ODA Credits Excluding Debt Relief)	611.83	-351.75	273.9	59.709	-28.075	312.7		
(Figure of Loans Provided)	9,721.31	7,701.33	26.2	948.712	614.671	54.3			
(Figure of Loans Repaid)	10,945.40	8,057.65	35.8	1,068.173	643.110	66.1			
(Figure of Loans Repaid Excluding Debt Relief)	9,109.48	8,053.08	13.1	889.003	642.745	38.3			
Bilateral ODA Total	8,753.50	6,351.67	37.8	854.263	506.950	68.5	74.7		
Bilateral ODA (Total Excluding Disbursements for Eastern European and Graduate Countries)	8,814.11	6,402.21	37.7	860.178	510.983	68.3	74.8		
Contributions and Financing to Multilateral Organizations	2,972.00	4,202.30	-29.3	290.040	335.401	-13.5	25.2		
Net ODA Total	11,725.50	10,553.97	11.1	1,144.303	842.351	35.8	100.0		
Net ODA Total (Excluding Disbursements to Eastern European and Graduate Countries)	11,786.11	10,604.51	11.1	1,150.218	846.384	35.9	100.0		
Gross ODA Total	22,763.80	18,717.33	21.6	2,221.542	1,493.898	48.7			
Gross ODA Total (Excluding Disbursements to Eastern European and Graduate Countries)	22,731.51	18,662.16	21.8	2,218.391	1,489.494	48.9			
Nominal Gross National Income (GNI) Figures for Each Category (US\$ billion, ¥ billion)	5,083.61	6,124.54	-17.0	496,114.20	488,821.90	1.5			
Proportion of GNI (%)	0.23	0.17		0.23	0.17				
Proportion of GNI (%) (Excluding Disbursements to Eastern European and Graduate Countries)	0.23	0.17		0.23	0.17				

Notes) 1. The following 14 countries are graduate countries that have received ODA: Hong Kong, Singapore, Brunei, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates, Barbados, Trinidad and Tobago, French Polynesia, New Caledonia and Croatia.  
2. 2013 DAC designated exchange rate: US\$1.00=¥97.5910 (a depreciation of ¥17.7774 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.

Providers of aid thus need to offer assistance in accordance with the priorities set out in the development strategies of developing countries.

**● Japan's ODA Contribution Level**

On a net disbursement basis, in 2013 Japan contributed approximately US\$8,814.11 million (approximately ¥860.2 billion) in bilateral ODA (excluding aid to Eastern Europe and graduate nations) and contributed and donated approximately US\$2,972.0 million (approximately ¥290.0 billion) to international organizations. Accordingly, total ODA contributions amounted to approximately US\$11,786.11 million, up 11.1% from the previous year (a year-on-year increase of 35.9% to ¥1,150.2 billion on a yen basis). With this amount, Japan ranked fourth among the member countries of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), after the United States, the United Kingdom, and Germany.

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 10 years from 1991 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. However, in 2013, Japan's contribution increased compared with the previous year after years of decline.

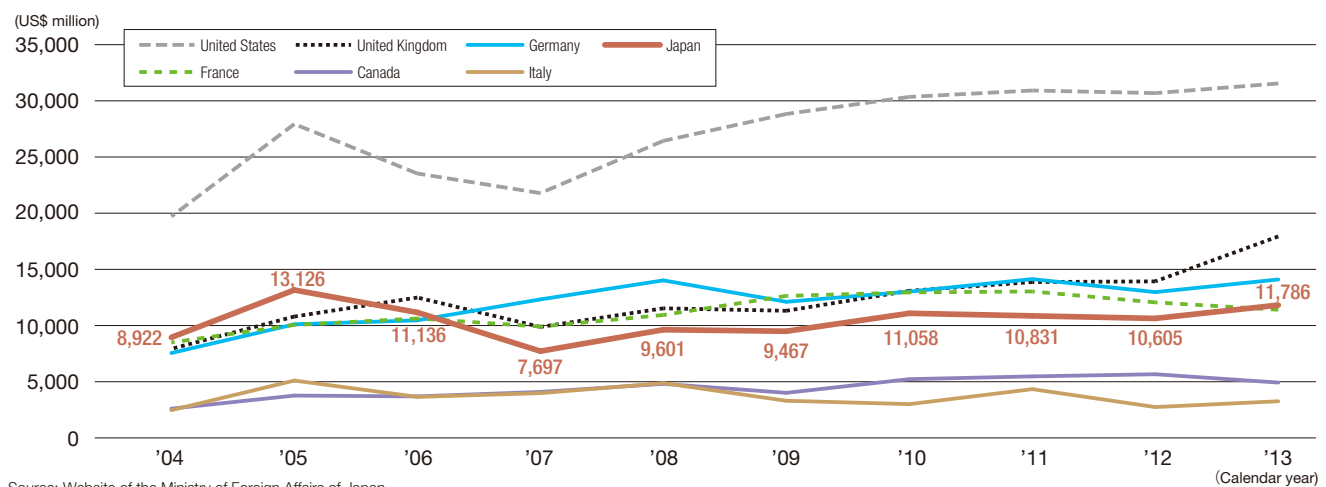
Meanwhile, Japan's ODA was equivalent to 0.23% of its gross national income (GNI), ranking it at the low level of 18th among the 28 DAC countries.

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

	FY2013		FY2014	
	Budget	Percentage increase	Budget	Percentage increase
Entire government	557.3	-0.7%	550.2	-1.3%
Within the Ministry	421.2	0.7%	423.0	0.4%
Grant Aid	164.2	1.6%	166.7	1.5%
Management Grants (General Account)	146.9	1.1%	150.3	2.3%
Contributions and donations	49.9	-2.5%	43.1	-13.8%
Aid for assistance activities	60.1	0.4%	63.0	4.8%

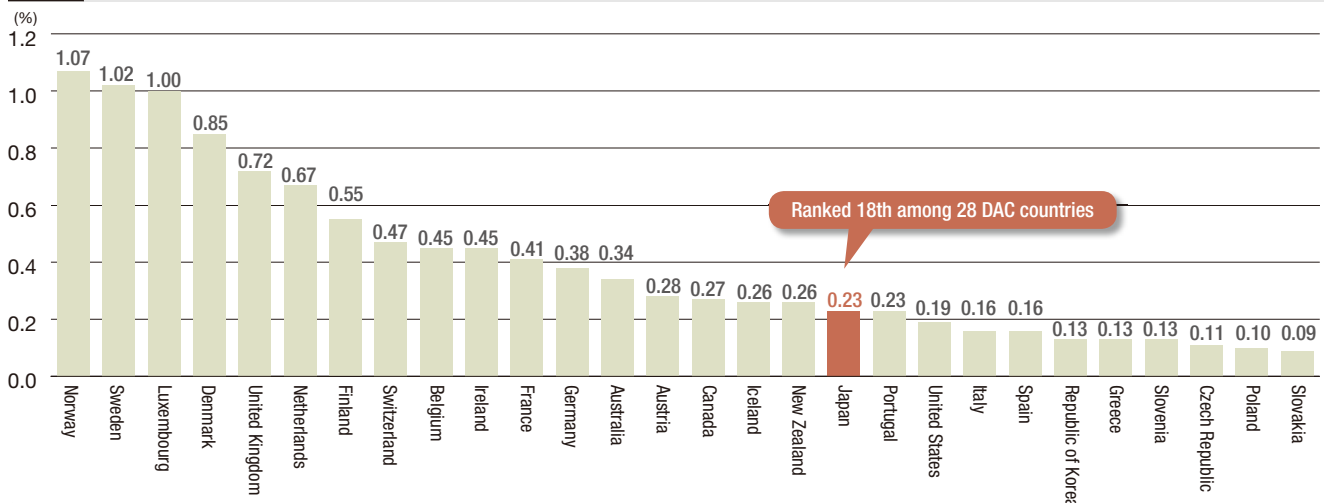
Source: Website of the Ministry of Foreign Affairs of Japan

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



Source: Website of the Ministry of Foreign Affairs of Japan

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



Source: Website of the Ministry of Foreign Affairs of Japan



# An Overview of JICA's Programs

In fiscal 2013, JICA engaged in its assistance programs with a focus on support for economic growth; contribution to peacebuilding and human security; achievement of the Millennium Development Goals (MDGs) and support for Africa; public-private partnerships and utilization of Japan's knowledge; and contribution to Japan's strategic diplomacy.

## Overview of JICA's Activities in Fiscal 2013

### ● Japan's ODA Disbursements and JICA's Activities

In calendar 2013, Japan's total ODA disbursements (provisional figure) amounted to US\$22,763.80 million (¥2,221.5 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\$7,120.60 million (¥694.9 billion), Technical Cooperation US\$2,922.89 million (¥285.2 billion) and Loan Aid US\$9,748.31 million (¥951.3 billion).

Looking at JICA's disbursements in fiscal 2013 (Table 6 and Table 7), Technical Cooperation implemented by JICA amounted to ¥177.3 billion, an increase of 5.7% from the previous fiscal year. Turning to Grant Aid, which JICA began implementing from October 2008, JICA implemented 166 projects amounting to ¥115.8 billion (Grant Agreement amount). ODA Loans disbursement amount totaled ¥749.5 billion and was provided to 51 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 2013, Technical Cooperation expenses amounted to ¥177.3 billion, an increase of 5.7% from the previous fiscal year.

**Table 6 Disbursements by Type of JICA Assistance in Fiscal 2013** (Unit: ¥ billion)

	FY2013	FY2012
Technical Cooperation *1	177.3	167.8
Acceptance of training participants	17.6	17.0
Dispatch of experts	65.3	56.8
Dispatch of study team members	38.5	36.7
Provision of equipment	4.1	5.3
Dispatch of Japan Overseas Cooperation Volunteers	7.7	8.3
Dispatch of other volunteers	3.4	3.4
Others	40.7	40.3
Loan Aid *2	749.8	864.6
Grant Aid *3	115.8	141.6

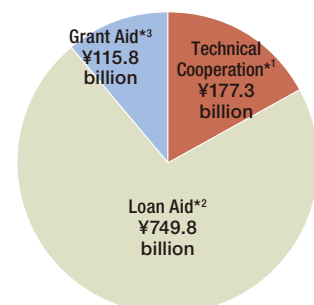
Note) Because the numbers for each program are rounded to the nearest whole number, the figures do not always match the total numbers.

\*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 2013 JICA's Operation Scale**

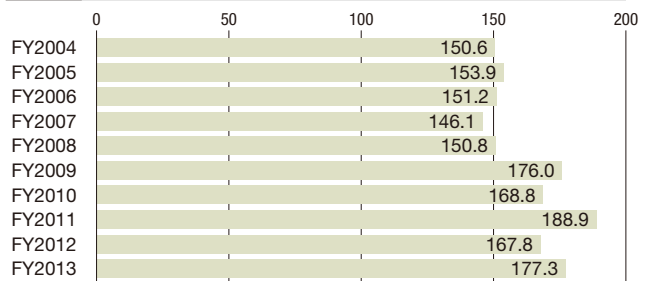


\*1 Technical Cooperation expenses excluding management expenses

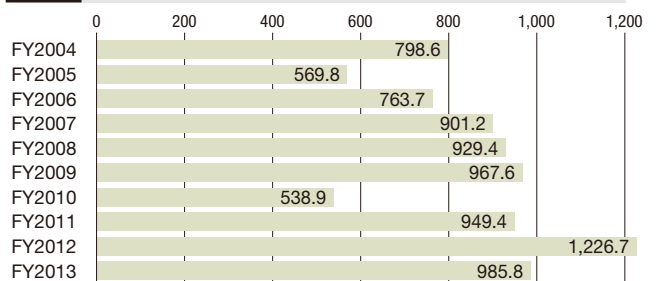
\*2 Amount of Loan Aid disbursements.

\*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** (Unit: ¥ billion)

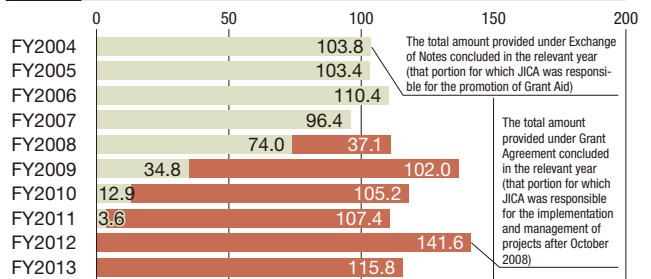


**Table 9 Loan Aid Commitment Amounts for the Past 10 Years** (Unit: ¥ billion)



Note) Total ODA Loan and Private-Sector Investment Finance

**Table 10 Scale of Grant Aid for the Past 10 Years** (Unit: ¥ billion)



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.

The Loan Aid commitment amount fell from the previous fiscal year by 19.6%, totaling ¥985.8 billion in fiscal 2013. Meanwhile, the scale of Grant Aid also decreased by 18.2% to a total amount of ¥115.8 billion in fiscal 2013.

### ● Composition of Disbursements by Region

Table 11 shows distribution of Technical Cooperation, Loan Aid and Grant Aid in fiscal 2013 by geographic region.

Looking at disbursements of Technical Cooperation by geographic region, Asia accounted for 36.7%, Africa 23.6% and North and Latin America 8.4%, in descending order. The 21.8% in "Others" include disbursements for international organizations and worldwide projects across countries and regions.

Looking at commitment amounts for new Loan Aid by region in fiscal 2013, Asia accounted for 79.6%, Middle East 7.2% and

Africa 5.3%. Continuing from fiscal 2012, Asia's share has been considerably high.

On the other hand, as for Grant Aid, Africa accounted for 43.3%, Asia 43.0% and the Pacific 6.7%. As in fiscal 2012, 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 2013.

Disbursements of Technical Cooperation by sector were, in descending order, 27.7% for others, 18.8% for public works and utilities, 14.5% for agriculture, forestry and fisheries and 14.1% for planning and administration.

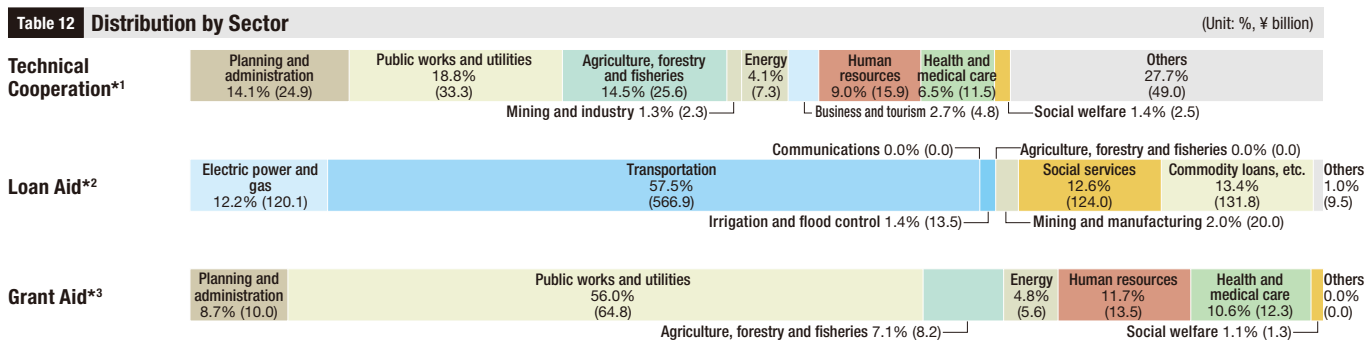
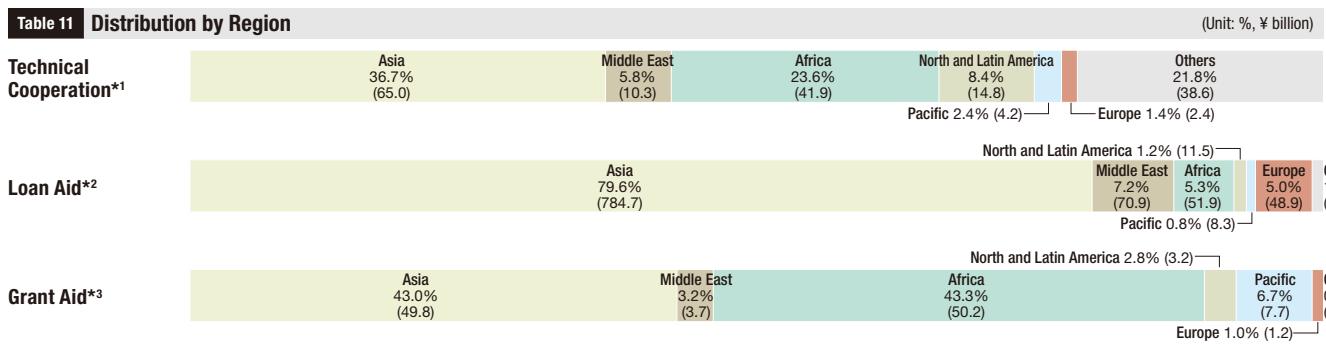
For Loan Aid, a large portion, i.e., 57.5%, was allocated for projects in the transportation sector, including railways, roads and ports. This was followed by commodity loans, etc. at 13.4% and 12.6% for the social services sector including water supply and sewerage, education, and public health and medicine.

For Grant Aid, the largest share was made to public works and utilities at 56.0%, followed by human resources at 11.7% and health and medical care at 10.6%.

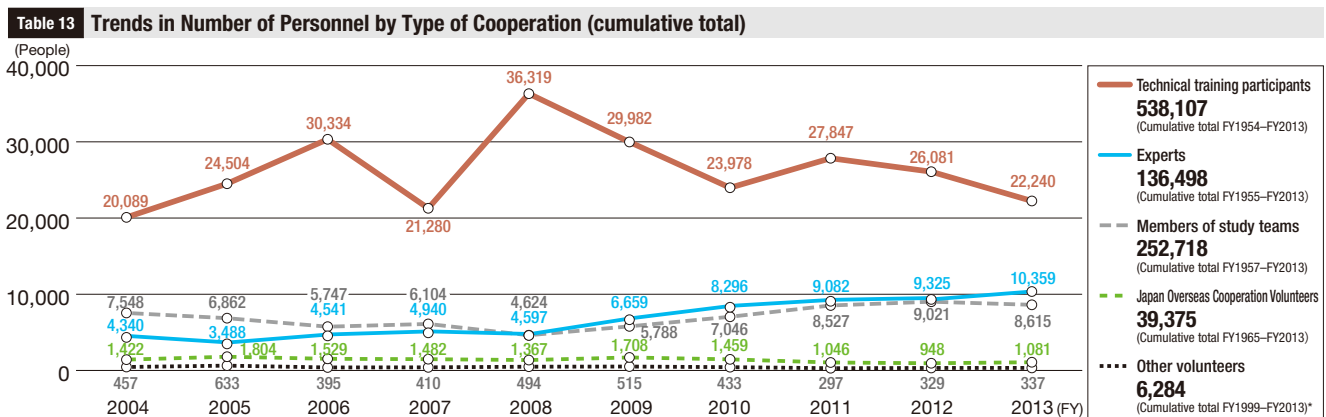
● **Trends in Number of Personnel by Type of Technical Cooperation**

The number of newly dispatched personnel by type of JICA program in fiscal 2013 was as follows. The number of technical training participants was 22,240, while JICA dispatched 10,359 experts, 8,615 study team members, 1,081 Japan Overseas Cooperation Volunteers and 337 other volunteers. As a result, to date JICA has accepted a total of 538,107 technical training participants (FY1954–FY2013) and dispatched a total of 136,498 experts (FY1955–FY2013) and 136,498 experts (FY1955–FY2013), 252,718 study team members (FY1957–FY2013) and 39,375 Japan Overseas Cooperation Volunteers (FY1965–FY2013).

Trends in the number of personnel by type of cooperation since fiscal 2004 are shown in Table 13.



\*1 Expenses that include expenses required for dispatching volunteers and Japan Disaster Relief Team.  
 \*2 Total Commitment Amounts of ODA Loan and Private-Sector Investment Finance.  
 \*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.



\* 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 business year ended March 31, 2014, total assets amounted to ¥222,925 million, increasing ¥29,095 million from the previous business year. The increase can be mainly attributed to a ¥6,345 million increase in cash and bank deposits and a ¥20,000 million increase in securities. Total liabilities were ¥168,547 million, increasing ¥31,440 million year-on-year. The major factor in the increase was a ¥9,108 million increase in operational grant liabilities and a ¥19,089 million increase in funds for grant.

(Unit: Millions of yen)

Assets	Amount	Liabilities	Amount
Current assets		Current liabilities	
Cash and deposits	54,695	Operational grant liabilities	31,732
Securities	100,000	Funds for grant aid	115,082
Others	19,272	Others	18,993
Non-current assets		Non-current liabilities	
Tangible assets	46,077	Contra accounts for assets	2,099
Intangible assets	5	Others	641
Investments and other assets	2,876		
		Total liabilities	168,547
		<b>Net assets</b>	
		Capital	
		Government investment	66,701
		Capital surplus	(16,507)
		Retained earnings	4,185
		Total net assets	54,378
Total assets	222,925	Total of liabilities and net assets	222,925

#### 2. Overview of Statement of Income

For the business year ended March 31, 2014, ordinary expenses amounted to ¥234,337 million, declining ¥7,910 million from the previous business year. The decrease was primarily due to the ¥11,195 million year-on-year decrease in expenses for grant aid. Ordinary revenues totaled ¥232,411 million, increasing ¥5,865 million year-on-year. The major factor in the increase was the ¥17,058 million increase in revenues from operational grants.

(Unit: Millions of yen)

	Amount
Ordinary expenses (A)	234,337
Operating expenses	225,623
Expenses for technical cooperation projects	75,659
Expenses for public participation based cooperation	14,683
Expenses for assistance promotion	13,804
Expenses for operation support	27,743
Expenses for grant aid	85,423
Others	8,311
General administrative expenses	8,676
Financial expenses	27
Others	11
Ordinary revenues (B)	232,411
Revenues from operational grants	143,523
Revenues from grant aid	85,423
Others	3,466
Extraordinary losses (C)	32
Extraordinary income (D)	7
Reversal of reserve fund carried over from the previous Mid-term Objective period (E)	3,894
Total income for the current business year (B-A-C+D+E)	1,943

### ● Finance and Investment Account

#### 1. Overview of Balance Sheet

For the business year ended March 31, 2014, total assets amounted to ¥11,153,848 million, increasing ¥24,349 million from the previous business year, primarily due to ¥48,400 million increase in loans. Total liabilities were ¥2,156,396 million, declining ¥161,224 million year-on-year, primarily due to ¥197,709 million reduction in borrowings from government fund for Fiscal Investment and Loan Program.

(Unit: Millions of yen)

Assets	Amount	Liabilities	Amount
Current assets		Current liabilities	
Loans	11,068,669	Current portion of borrowings from government fund for Fiscal Investment and Loan Program	275,876
Allowance for loan losses	(142,613)	Others	46,345
Others	128,745	Non-current liabilities	
Non-current assets		Bonds	320,000
Tangible assets	8,902	Borrowings from government fund for Fiscal Investment and Loan Program	1,506,086
Intangible assets	0	Others	8,089
Investments and other assets		Total liabilities	2,156,396
Claims probable in bankruptcy, claims probable in rehabilitation and other	68,575	<b>Net assets</b>	
Allowance for loan losses	(46,566)	Capital	
Others	68,137	Government investment	7,765,398
		Retained earnings	
		Reserve fund	1,129,789
		Others	125,569
		Valuation and translation adjustments	(23,303)
		Total net assets	8,997,452
Total assets	11,153,848	Total of liabilities and net assets	11,153,848

#### 2. Overview of Statement of Income

For the business year ended March 31, 2014, total income amounted to ¥125,569 million, increasing ¥32,071 million from the previous business year. This increase resulted from ordinary revenues which decreased ¥4,355 million to ¥217,847 million and ordinary expenses which declined ¥36,425 million to ¥92,278 million. The major factors were ¥5,996 million decrease in interest on loans in ordinary revenues and the absence of provision for contingent losses in ordinary expenses which was ¥20,196 million in the previous year.

(Unit: Millions of yen)

	Amount
Ordinary expenses (A)	92,278
Expenses related to operations of cooperation through finance and investment	92,278
Interest on bonds and notes	4,950
Interest on borrowings	27,388
Interest on interest rate swaps	10,147
Operations consignment expenses	21,278
Operating and administrative expenses	12,669
Provision of allowance for loan losses	7,755
Others	8,090
Ordinary revenues (B)	217,847
Revenues from operations of cooperation through finance and investment	217,419
Interest on loans	178,962
Dividends on investments	24,430
Reversal of provision for contingent losses	10,877
Others	3,150
Others	428
Extraordinary losses (C)	1
Extraordinary income (D)	0
Total income for the current business year (B-A-C+D)	125,569

Note) Because the amounts are rounded to the nearest million, the total amount does not always match the sum of each amount.

# JICA's Path for Development Activities

## Overall Policy for Development Activities in Fiscal 2014

### 1. Assistance for Emerging and Developing Countries to Grow Together with Japan

- JICA will promote assistance that contributes to economic growth of emerging and developing countries, including development of economic infrastructure, support for local private companies, development of legal systems, and human resources development. When doing so, JICA will provide assistance with consideration for the socially vulnerable, such as poor people, disabled persons, and senior citizens, in order to prevent disparities. At the same time, JICA will ensure support for reducing disparities, including provision of educational opportunities, enhancement of social security systems, and vitalization of rural areas.
- As mentioned in Japan's Infrastructure Systems Export Strategy, JICA will steadily carry out initiatives of the strategy, including (1) promotion of public-private partnerships to enhance global competitiveness, (2) identification of and training support for companies, local governments, and human resources that will boost the export of infrastructure, (3) promotion of Japanese standards to become international standards based on advanced technologies and knowledge, and (4) support for involvement in infrastructure fields that will become new business frontiers.

### 2. Promotion of Human Security and Peacebuilding

- In consideration of achieving the current MDGs and assistance for fragile states, JICA will extend its assistance in fields such as support for the poor, global health care, education, and water. To contribute to human security, JICA will also enhance support for the achievement of the Japan's Strategy on Global Health Diplomacy and Universal Health Coverage, as well as providing consistent assistance to the Philippines and other disaster-stricken countries with emergency relief, reconstruction after disasters, and disaster risk reduction.
- Based on careful assessment of security and other relevant conditions, JICA will provide timely peacebuilding support to Afghanistan, Iraq, Palestine, South Sudan, the Horn of Africa, the countries surrounding the Sahel, Myanmar's ethnic minority groups, consolidation of the peace in the Mindanao region of the Philippines, and assistance to the countries surrounding Syria and other countries.
- With a focus on establishing and promoting values such as democracy and the rule of law, JICA will extend its support toward realizing the rule of law and promoting democracy through initiatives such as strengthening the capacity of media.

### 3. Initiatives toward International Cooperation and Trends in International Assistance

- JICA will proactively cooperate with the international community on post-2015 development agendas, as well as promoting

support that will contribute to achievement of the current MDGs.

- In order to contribute to discussions toward establishing a post-2020 new international framework against climate change that all countries will join, JICA will support developing countries' efforts for climate-change mitigation and adaptation, in accordance with the Proactive Diplomatic Strategy for Countering Global Warming.
- JICA will promote mainstreaming of disaster risk management and contribute to establishing resilient communities and sustainable urban development in the context of a post-2015 development agenda, the Third UN World Conference on Disaster Risk Reduction, to be held in Japan in 2015, as well as the succession of the Hyogo Framework for Action.
- JICA will expand collaboration with international partners, and also follow up on the discussions on redefinitions of ODA and development funds.

### 4. Promotion of Private Sector Collaboration and Domestic Collaboration

- In order to proactively support activities of the private sector that will contribute to development, JICA will work on firmly establishing and enhancing projects that directly assist activities of private sector companies, such as assistance on the overseas expansion of SMEs, Private-Sector Investment Finance projects, public-private partnership (PPP) infrastructure assistance, promotion of base of the pyramid (BOP) business, projects under the Collaboration Program with the Private Sector for Disseminating Japanese Technology, and Overseas Volunteering Program in Collaboration with Private Sector.
- JICA will strengthen its assistance to Japanese local governments' involvement in international activities and their efforts for vitalization of their communities by enhancing the participation of local governments in ODA activities such as JICA Partnership Programs and technical cooperation projects as well as technical training programs.
- JICA will provide assistance that demonstrates soft power such as knowledge and development experience, which are accumulated in industries, governments, academia, and the civil society of Japan. To promote this, JICA will identify the right drivers from among NGOs, civil society, local governments, private corporations, universities, and other entities, and promote collaboration among these drivers.

### 5. Support for Women's Empowerment and Social Involvement in Developing Countries

- Based on the Japanese government's policies relating to women in assistance to developing countries, JICA will promote assistance to policies and systems that enhance gender equality, formulation and implementation of projects where women are major beneficiaries, and mainstreaming of gender issues in the process of formulating projects in any field and on any subject.



Mozambique: Women carrying firewood on their heads hurrying homewards (Photo by Hiromi Nagakura)

# Concrete Initiatives

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Laos: the Second Mekong Bridge, built with support from Japan, connects Thailand and Laos. Expansion of its role is expected as a part of the East-West Economic Corridor. (Photo by Shinichi Kuno)

## Director General's Message

## For Enhancement of Growth and Contribution to Regional Common Challenges



Hidetoshi Irigaki Director General Southeast Asia and Pacific Department

The year 2013 was the 40th anniversary of ASEAN-Japan Friendship and Cooperation, and to commemorate this milestone, the ASEAN-Japan Commemorative Summit was held in Tokyo. At the Summit, the Japanese government announced a total of 2 trillion yen ODA provision over the next 5 years, including for infrastructure development to strengthen connectivity and to alleviate domestic disparity in ASEAN countries, which will lead to the further deepening of the relationships between Japan and these countries. With the increasing importance of the Pacific region, JICA will also continue its cooperation for the enhancement of growth. JICA extends continuous effort to contribute to the challenges in Southeast Asia and the Pacific region overall.

Looking back on 2013, several important events have taken place. First, the ASEAN-Japan Commemorative Summit Meeting was held to celebrate the 40th anniversary of ASEAN-Japan Friendship and Cooperation, and where various types of cooperation by the Japanese government toward ASEAN countries were announced. In addition to taking the opportunity of the meeting to hold an event to discuss the future of ASEAN, JICA also made preparations for ODA projects committed at the meeting with a focus on infrastructure-related sectors.

Secondly, for the catastrophic damage caused by Typhoon Haiyan, which hit the Philippines in November 2013, JICA has provided seamless assistance with all its available resources, from emergency support right after the storm to technical and financial assistance toward early recovery and reconstruction; the assistance still continues today.

Also in the Philippines, the Comprehensive Agreement on the Bangsamoro was signed in March 2014. It was an important outcome in which JICA's long involvement in the peacebuilding process in Mindanao bore fruit.

Further, in Southeast Asia and the Pacific region, which have close relationships with Japan and where cooperation is active among partners that include private enterprises, universities, and NPOs, JICA is also engaged in cooperation

with these various partners through initiatives such as the Science and Technology Research Partnership for Sustainable Development (SATREPS) and ODA utilizing Japanese small and medium enterprises' technologies. The announcement in July of the successful production of an antibody against the dengue virus through collaborative research by universities in Japan and Thailand through SATREPS is a result that is symbolic of such engagement.

The Southeast Asian region is important for the Japanese government's infrastructure export strategy. For instance, we expect to see growth in infrastructure exports and investments by promoting the Jakarta Metropolitan Priority Area for Investment and Industry (MPA) Project in Indonesia through public-private collaboration of both countries.

In addition to these projects, in fiscal 2014 JICA would like to work on providing effective support by quickly responding to our government's various policies, such as disaster risk reduction, maritime safety, the rule of law, global health, and support for women's empowerment.

The year 2014 is the 60th anniversary of Japanese ODA. The establishment of the ASEAN Community and the Pacific Islands Leaders Meeting are lined up for 2015. Based on this long history of Japanese ODA, JICA hopes to make this a year of another leap forward.

# Southeast Asia

## Strategic Cooperation for Sharing Prosperity between Japan and Southeast Asia

The year 2013 was the 40th anniversary of ASEAN-Japan Friendship and Cooperation, and many memorial events were held. There are growing expectations for Southeast Asia, a region embracing a population of about 620 million, to become the center of growth for the global economy. The region, which historically has a close relationship with Japan in political, economic, and social aspects, is an important region for Japan. It is expected that reductions in customs duties and liberalization in the service and investment fields will proceed within the region as ASEAN moves toward the establishment of the ASEAN Community in 2015.

In anticipation of the coming ASEAN Community, JICA is cooperating to overcome development challenges in Southeast Asian countries and is extending support for strengthening connectivity within the region and with Japan, infrastructure development, and narrowing the development gap within the region.

**Key Aid Strategies** Support for Strengthening ASEAN Connectivity and Narrowing the Development Gap, Coping with Various Challenges Utilizing Japanese Knowledge and Experience

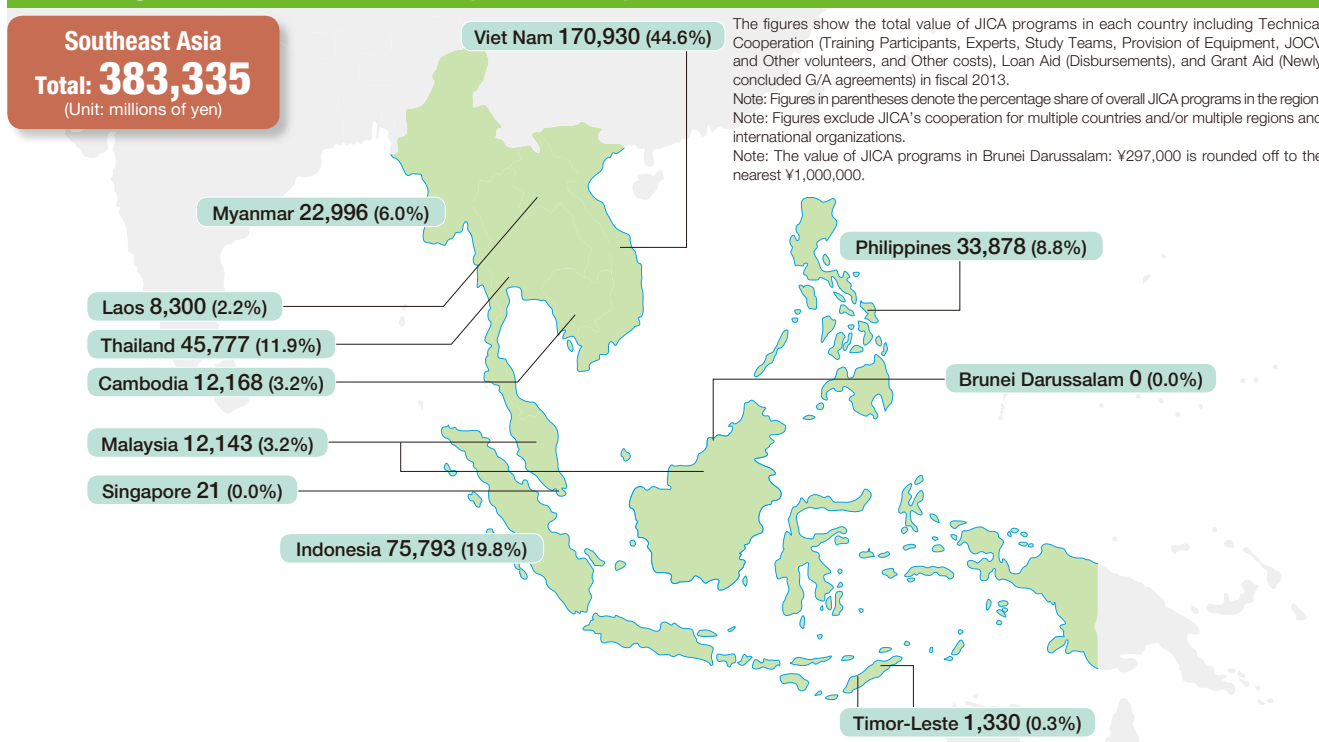
JICA is extending support for developing soft and hard infrastructure and narrowing the development gap within the Southeast Asian region and in individual countries in order for the countries to achieve sustainable economic growth. It also cooperates in various fields such as disaster prevention, maritime safety, the rule of law, health, women's empowerment, and resolving disputes utilizing Japanese knowledge, technology, and experience.

JICA continues to be engaged in activities for Japan and Southeast Asia to prosper together by coping with the needs and demands that change along with economic development and social shifts.

### ● Support for Strengthening ASEAN Connectivity and Infrastructure Development

In order for ASEAN countries to develop and intensify as the ASEAN Community, it will be necessary to strengthen "connectivity" within ASEAN, between ASEAN and Japan, and between ASEAN and the world, both in hard and soft aspects. The original ASEAN member countries (Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand) will have to achieve sophistication of trade, investment, and logistics toward the establishment of the ASEAN Community. It is necessary for these countries to promote high-value-added industries in order to sustain economic growth and to avoid the so-called middle-

### JICA Programs in Southeast Asia (Fiscal 2013)



income trap.<sup>1</sup> The newer ASEAN members (Cambodia, Laos, Myanmar, and Viet Nam) also need to achieve high economic growth and improve life in the countries, while enjoying the benefit of the ASEAN Community.

In the fields that promote ASEAN connectivity, JICA is involved from policy and master planning stages while providing individual cooperation for projects aimed at development of infrastructure and institutional aspects to improve the investment climate, legal systems and others.

Still, infrastructure demand in Southeast Asia is huge and will require the kind of infrastructure development that uses not only public funds but also public-private partnerships (PPPs) and other private-sector resources. JICA provides assistance for establishing the institutions necessary to promote PPP projects and supports privately funded development, as well as assisting in building and reinforcing foundations for private-sector activities through deeper partnerships with the private sector, including SMEs.

### ● Support for Narrowing the Development Gap

In Southeast Asia, the development gap within the region and income disparities within countries are still challenges. The gap and disparities could undermine the unity and solidarity of ASEAN and may eventually lead to political instability in each country, so narrowing the development gap and disparity reduction are necessary for this region to achieve sustainable growth in the future.

JICA is providing support for basic education, governance, health care, agriculture, water supplies, and other areas, particularly in the newer ASEAN member countries. Other activities include support for minority ethnic groups in Myanmar and strengthening the capacities of government institutions in Mindanao, where a comprehensive peace deal has been achieved.

In Myanmar, which has been working on democratization and economic liberalization since 2011, JICA is providing support for (1) improving the living standards of the people of Myanmar, (2) upgrading the capacities of people and establishing institutions, and (3) achieving sustained economic growth.

### ● Coping with Various Challenges Utilizing Japanese Knowledge and Experience

Disaster prevention measures are important in Southeast Asia, where natural disasters frequently occur, not only as social concerns but also from the standpoint of sustaining economic growth. As well as providing humanitarian aid when a disaster occurs and giving support during the recovery and reconstruction stages, JICA puts focus on disaster prevention and pre-disaster measures, and its support extends to evaluating risks associated with natural disasters, preparing disaster preparedness and response plans, and establishing early warning systems by applying Japanese knowledge and experience. In addition, from a risk-finance viewpoint, JICA provides loan assistance to meet financial needs after a disaster, and is also considering introduction of disaster insurance.

Furthermore, by promoting collaboration with the civil society, local governments, private-sector entities, universities, and other

partners, JICA extends its support utilizing Japanese technologies and experience for emerging issues as a country that faced similar challenges, such as aging of the population, slightly earlier. New issues are becoming evident, as they did in Japan, especially in the original ASEAN member countries, and they are altering needs for support from JICA. To respond to these new needs, JICA is conducting studies concerning social security systems in Indonesia, domestic disparity reduction in Thailand, and coping with an aging population in Malaysia. JICA is also considering measures for new issues emerging in the region, such as elder care and welfare, and infrastructure maintenance.

Likewise, JICA provides cooperation on the regional issue of strengthening capacities of maritime safety, and also for the Japanese government's focus areas, such as women's empowerment and global health.

## Country Overviews and Priority Issues

### ● Indonesia

Indonesia's real GDP growth slightly slowed to a rate of 5.8% in 2013, but is expected to remain strong in medium term (GNI per capita of \$3,580 in 2013). For its stable economic growth, Indonesia needs to improve the investment climate by promoting infrastructure development that supports economic activities.

Filling in the infrastructure gap, such as relieving severe traffic jams and improving the electricity supply, is especially important in the Jakarta Metropolitan Area, which drives the economy. In this regard, JICA supported "the Master Plan for Establishing Metropolitan Priority Area for Investment and Industry (MPA) in JABODETABEK Area," by incorporating the inputs from the private sector. The plan was approved at the ministerial levels of Japan and Indonesia in October 2012, and JICA is now working to accelerate the formulation and implementation of the projects identified in the Master Plan.

<sup>1</sup> 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.



Groundbreaking ceremony for the North-South line (ODA Loan) of the Jakarta Mass Rapid Transit (MRT), which is expected to help relieve the capital's traffic jams.



As infrastructure development through Public-Private Partnerships (PPPs) gains importance, JICA started its first technical cooperation project in Indonesia from 2011, in order to improve the government's PPP regulatory framework and capacity [→ see the Case Study below].

JICA's cooperation in Indonesia also encompasses support for responses to international and regional challenges such as climate change and Indonesia's emergence as a donor country.

### ● Philippines

Despite the slowing global economy and large-scale disaster caused by Typhoon Haiyan (called Yolanda in the Philippines), the economy of the Philippines in 2013 maintained high growth supported by strong private consumption and other elements, achieving a real GDP growth rate of 7.2% (GNI per capita of \$3,270 in 2013). Meanwhile, challenges that affect sustainable development, such as improving the investment climate, dealing with disaster vulnerability, and creating jobs, are piling up.

JICA's cooperation in the Philippines focuses on the following priority issues: (1) sustainable economic growth by promoting investment; (2) overcoming the country's vulnerabilities; and (3) establishing peace in the conflict-affected areas in Mindanao [→ see the Case Study on page 69].

In terms of measures against vulnerabilities, JICA joined the immediate efforts in response to the disaster caused by Typhoon Haiyan, which struck the central Philippines in November 2013. JICA sent Japan Disaster Relief (JDR) team first, and then extended assistance for recovery and reconstruction under the

concept of "Build Back Better," applying Japanese knowledge and technologies [→ see the Case Studies on pages 121, 133, and 135].

Also, to assist sustainable development of Metro Manila, one of the top future megacities in the world, JICA supported creation of the "Roadmap for Transport Infrastructure Development for Metro Manila and Its Surrounding Areas" (the Infra Roadmap for Mega Manila). JICA is making proposals to develop the areas along the north-south axis to achieve relief of traffic congestion, reduction of disaster risks, realizing smooth transportation systems, reduction of the social cost of transportation, and reduction of air pollution and other improvements.

### ● Thailand

With a GNI per capita of \$5,370 in 2013, Thailand has joined the ranks of upper-middle income countries. However, many issues still need to 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 common throughout the ASEAN region, such as strengthening ASEAN connectivity and narrowing the development gap.

JICA is extending its cooperation to Thailand in three priority areas: (1) sustainable development of the economy and coping with a maturing society; (2) coping with issues common to ASEAN countries; and (3) promotion of cooperation toward countries outside the ASEAN region.

JICA is providing support for issues in Thailand as an

#### Case Study Indonesia: The Project for PPP Network Enhancement

### Support for Framework and Capacity Building for PPP Infrastructure Projects

JICA implemented a three-year Technical Cooperation Project in Indonesia from 2011, which was the first of its kind to provide support from the establishment of framework and capacity building to formulate Public-Private Partnership (PPP) initiatives.

#### Toward Formulation and Implementation of Individual Projects

Under its mid- to long-term development plan, the Government of Indonesia plans to implement infrastructure projects using private-sector resources for approximately 30% of infrastructure investments. Since

implementation of the private-led projects requires improvement in the investment climate, the government worked on establishing PPP-related systems, such as guarantees by the public sector.

However, the government authorities have so far not successfully formulated PPP projects in which private-sector entities could be confident enough to make investing decisions. Connected to this, JICA's project promoted two approaches, which were (1) strengthening a PPP specialized agency with top-down decisions and (2) formulation of model projects. In specific terms, together with government institutions, JICA assisted in empowering a cross-ministerial organization through establishment of the agency,

and at the same time conducted PPP model projects in the fields of water and electricity and carried out Project-Development Facilities (PDF)<sup>1</sup> to increase projects' bankability.<sup>2</sup>

These actions have led to improvement in the organizational and institutional framework, such as amendment of Presidential Regulations related to PPP requirements and tender processes. Furthermore, the results of this cooperation were put together in the "Indonesia PPP Handbook," and related seminars were held in Jakarta. These achievements have been highly valued by the Indonesian government.

"The MPA Support Facility," a successive new technical cooperation project to support formulation and implementation of individual projects, has started in 2014. JICA will continue to extend its support for implementation of MPA projects jointly promoted by the governments of Indonesia and Japan.



Meeting of the Steering Committee that drives PPP promotion in Indonesia.

1. Preparation work for formulating a PPP project in consideration of governmental financial support and guarantees.  
2. The degree of projects' maturity up to the level eligible for PPP financing.

upper-middle income country, among which are: cooperation in strengthening research capabilities through joint research among universities and research institutes, both in Japan and Thailand, in the fields of food safety, environment, and energy; cooperation on measures for environmental-pollutant reduction utilizing Japanese experience and knowledge; and cooperation in improving social services and health care concerning senior citizens. In regard to issues that are shared across the ASEAN region, JICA is providing cooperation (1) through training in neighboring countries in collaboration with Thai institutions with which Japan worked together in the past, and (2) on measures against cross-border human trafficking with the Thai organizations concerned.

### ● Cambodia

Although Cambodia's economy is making progress, the country continues to lag behind the ASEAN countries with a per-capita GNI of \$950 in 2013 and a poverty rate of about 19.8% in 2011.

In anticipation of Cambodia's ASEAN integration, JICA is providing support in three priority areas in order to achieve economic growth and poverty reduction: (1) strengthening the economy's foundations, (2) promoting social development, and (3) strengthening governance.

Recently, Cambodia's participation in a production network through the international division of labor within the ASEAN region has been accelerating. Based on this, it can be said that Cambodia has reached the point to seek further economic development

through diversification and upgrading of its industries. Also, foreign investment in Cambodia, including those by Japanese enterprises, especially in the manufacturing sector, has been increasing rapidly. JICA is contributing to enhancement of connectivity intensification and economic development not only within Cambodia but also in the region by supporting reinforcement of the southern economic corridor that links Ho Chi Minh City in Viet Nam with Bangkok, Thailand, through construction of the Neak Loeung Bridge and improvement of National Roads No. 1 and No. 5.

On the other hand, there is still large income disparity between urban and rural areas. In rural areas improvement in fields such as health care and water supply seems to be an urgent matter. JICA supports improvement in fundamental quality of life in rural areas by fostering human resources engaged in maternal and child health care and providing access to safe water [→ see the **Case Study below**].

### ● Laos

The real GDP of Laos has been increasing in a stable manner at an annual rate of between 7% and the high 8% range as the country makes progress toward graduating from the ranks of least developed countries and achieving the Millennium Development Goals (MDGs), with a GNI per capita of \$1,460 in 2013.

JICA provides cooperation for building a foundation for economic growth that will be a driving force for the country's self-reliant and sustainable growth and for the achievement of the MDGs. In detail, JICA focuses on cooperation for the

#### Case Study

### Cambodia: The Project on Capacity Building for Urban Water Supply System (Phase 3)

## To Enhance Management Capacity of Provincial Waterworks

**JICA has been continuously supporting human resources development in Cambodia's water supply operations. Technical capability improvement was a major priority in the past, but JICA started implementing projects with a focus on management aspects of water supply in 2012.**

### With Focus on Conversion into Public Corporations

The civil war extremely deteriorated the conditions of water supply facilities in Cambodia. To cope with this situation, the Japanese government and JICA helped create water-supply enhancement plans and provided financial assistance for facility improvement, and additionally started the Project on Capacity Building for Urban Water Supply System in 2003. JICA assisted in the enhancement of operation and maintenance capabilities of the water-supply facilities of the Phnom Penh Water Supply Authority in the project's Phase 1, and of the eight Targeted Provincial Waterworks (TPWs) in Phase 2.

Technicians were developed and the operation of water-supply systems at a certain

level was achieved through this cooperation. However, the fact remained that many TPWs do not have a good understanding of their revenues and operational costs, and JICA started extending its assistance in a new challenge to enhance management capability of eight TPWs in 2012 as the Phase 3 project.

Anticipating that each TPW will become a financially autonomous public corporation in the future, the project aims at enhancement of water-supply services by sustainable and stable management through assistance in capacity development for formulation and implementation of mid-term business plans for finance, customer management, facility management, organizational strengthening, and other aspects.

In this cooperation, staff members from



The Chief Advisor (shown at left), a Japanese specialist who provides training to TPW staff members in preparation and management of fundamental information such as financial statements.

the Phnom Penh Water Supply Authority, which were JICA's counterparts in Phase 1, act as local specialists to assist regional project activities for TPWs. Human resources developed in past cooperative efforts helps effective implementation of the project.

→ **Related video** *JICA's Water Project—Cambodia*, produced by JICA in 2012, <http://www.youtube.com/watch?v=ixHcnOnSIWs>

following priority areas: (1) Development of Economic and Social Infrastructure; (2) Agricultural Development and Forest Conservations; (3) Improvement of Educational Environment and Human Resources Development; and (4) Improvement of Health Care Services. JICA is also involved in removal of unexploded ordinance as a cross-sectoral issue.

Laos has recently been attracting attention for its 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. Helping to create a favorable climate for investment, JICA has extended its cooperation as ODA Loan and Grant Aid for establishing this East-West Economic Corridor, and Technical Cooperation for software aspects. JICA also extends its cooperation to further strengthen Laos's connectivity to neighboring countries, as seen in a decision to provide ODA Loan to assist expansion of the international terminal and construction of a new domestic terminal at Vientiane International Airport in 2013 [[→ see the Case Study below](#)].

### ● Myanmar

In Myanmar, where the new administration that took over in March 2011 has been implementing reforms for democratization and national reconciliation, economic growth is expected at an annual rate of over 6%. But at the same time, the country faces many challenges, including infrastructure development and establishment of legal systems.

To support reforms enacted by the Government of Myanmar,

JICA extends its cooperation with emphasis on three areas in line with the Japanese government's economic cooperation policy. First is assistance for improvement of people's lives in Myanmar. This includes support for ethnic minorities, development of rural areas, support for the poor, agricultural development, and improvement of health care. The first ODA Loan project in 25 years was provided in June 2013 for improvement of basic infrastructure (roads, electricity, and water supply) in rural areas. Second is assistance for development of systems and institutions to sustain the economy and society. This includes assistance for economic reforms in the form of policy recommendations and capacity development for policy-makers in the fields of economy and finance; trade, investment, and SME growth; and agriculture and rural development, as well as assistance in establishing legal systems. The Myanmar-Japan Center for Human Resources Development opened in August 2013 and started support for fostering human resources in the industry sector. The third area is support for improvement of infrastructure and related systems necessary for sustainable economic development. JICA's assistance includes formulation of master plans for the development of Greater Yangon and major sectors, as well as technical and financial cooperation for transportation including railroads, communication, water supply, and electricity.

### ● Viet Nam

Viet Nam has achieved stable economic growth through the reforms and open-door policy called the Doi Moi policy, with a per-capita GNI of \$1,730 in 2013 and annual real GDP increase

#### Case Study Laos: Vientiane International Airport Terminal Expansion Project

### ODA Loan to Support Development of the Main Gateway into Laos

**Vientiane International Airport is the main gateway to Laos and an important center of economic activity, including international tourism. JICA signed an ODA Loan agreement for the Vientiane International Airport Terminal Expansion Project in January 2014 to cope with the rapidly increasing number of air passengers due to Laos's recent economic growth.**

#### Annual Passenger Numbers at About Twice the Planned Capacity of the Terminal

For Laos, the only landlocked country in ASEAN, with 80% of the land mountainous, air transportation is an indispensable mode of transportation for economic activities such

as cargo movements to and from surrounding countries, traveling, and international tourism promotion.

Japan has provided support to Vientiane International Airport in the past for construction of the international terminal, implementation of an air traffic control system, and other improvements, mainly as Grant Aid.

However, in 2012, the number of passengers passing through the international passenger terminal reached about twice the annual capacity planned at the time of construction in 1995, drastically exceeding the terminal facility's capacity, so urgent expansion became necessary. Peak period increase in the number of flights is also

difficult, and there are emerging issues such as the acceptance capacity for new airlines almost reaching its limit, with a background that includes a lack of terminal space to accommodate new airlines' counters and other clerical work. The domestic passenger terminal building was built 50 years ago, with evident deterioration and with an urgent need for reconstruction.

The project plans to cope with further increases in the number of passengers and to improve convenience, efficiency, and safety of the airport by expanding the international passenger terminal and constructing a new domestic passenger terminal.

Meanwhile, an "eco-airport" concept, aiming at environmental load reduction in airport operations, will be introduced in the new terminal facilities to achieve environmentally friendly enhancement using energy-saving and other technologies.

This project is expected to enhance the convenience of Vientiane International Airport, Laos's gateway, and contribute to the economic growth of the country.



Current view of Vientiane International Airport.

rates of 5–6% in recent years. Meanwhile, income levels in the rural areas, where approximately 70% of the population lives, are still low, and regional disparity is expanding.

The year 2013 was the 40th anniversary of the establishment of diplomatic relations between Japan and Viet Nam, and the governments of the both countries have agreed to take the bilateral relationship to the level of an “Extended Strategic Partnership.” Viet Nam has become an important country not only for the infrastructure systems export strategy of the Japanese government, but also for foreign direct investment (FDI) by the private sector. Japanese companies operate in Viet Nam, attracted by the 90-million-consumer market in addition to its diligent and rich reserves of labor force. Mutual cooperative relationships among universities as well as local governments have been maintained.

Becoming an industrialized country by 2020 is the main pillar of the national agenda of Viet Nam. There are three priorities: institutional development, human resources development, and infrastructure development. In this regard, JICA is extending multilayered cooperation with an emphasis on (1) accelerating growth and strengthening competitiveness; (2) responding to vulnerabilities for inclusive development, and (3) good governance. Besides the existing support for infrastructure development and strengthening of juridical and administrative functions, JICA’s particular focus covers reforms of state-owned enterprises and disposal of nonperforming loans in the banking sector, which could be the obstacles for economic growth. In terms of urban-rural disparity reduction, JICA supports the development of agricultural value chains from production, processing, and sales of agricultural products.

### ● Timor-Leste

In Timor-Leste, which achieved independence in 2002, a transition from reconstruction to development is ongoing. Although its per-capita GNI reached \$3,580 in 2013 with stable economic growth, the reality is that the majority of national revenue depends on oil and natural gas. One of the urgent issues is to diversify industry and create job opportunities in order to reduce the overreliance on revenue from natural resources. In order to achieve all this, developing human resources is key.

JICA has three cooperation programs: (1) Establishing Foundations for Promoting Economic Activities, (2) Agriculture and Rural Development, and (3) Capacity Development of the Government and Public Sector. The specific activities include: development of transportation infrastructure, such as roads; development of human resources in the area of engineering; technical cooperation and policy recommendations to promote agriculture; and technical cooperation for the government’s capacity development in formulation and implementation of development plans.

### ● Malaysia

The Malaysian government announced its New Economic Model in March 2010, and is now putting forth efforts to join the ranks of developed countries by 2020. Developed countries are considered to have a GNI of \$15,000 to \$20,000; Malaysia’s per-capita GNI was \$10,400 in 2013. Several issues must be



Celebrating Party for graduates under the “Higher Education Loan Fund Project (HELP),” a support program for study in Japan by Malaysian students in scientific fields.

resolved in order to achieve this goal: transformation into a high value-added economy; harmonization of development and environmental protection; and protection of the socially vulnerable.

In Malaysia, JICA’s cooperation focuses on three priority areas: (1) supporting balanced development toward Malaysia becoming a high-income nation; (2) responses to common issues in the Southeast Asian region; and (3) Japan-Malaysia Development Partnership beyond the Southeast Asia region.

JICA is implementing projects in the 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 including persons with disabilities; and cooperation for environmental conservation, including climate change measures [ → see the Case Study on page 85]. JICA is also assisting with regional issues of upgrading ASEAN connectivity in the field of customs and maritime security and infectious diseases, and South-South cooperation among ASEAN, African, and Islamic countries.

### ● Singapore

Singapore, which “graduated” from JICA’s ODA in fiscal 1998, and JICA have been cooperating with each other as partners carrying out approximately 10 to 15 training courses a year, mainly for other ASEAN member states under the Japan-Singapore Partnership Programme (JSPP) and JSPP21 since 1994. By fiscal 2013, 340 courses had been conducted with the participation of 5,923 individuals from 95 countries. In JSPP, courses are conducted in many fields; some courses are conducted in anticipation of the establishment of the ASEAN Community in 2015, such as courses on intellectual property rights and customs operations to accelerate ASEAN connectivity, and courses aimed at newer ASEAN member states (Cambodia, Laos, Myanmar, and Viet Nam) to assist disparity reduction within the ASEAN region. There are also courses targeting Small Island Developing States (SIDS), Timor-Leste, and Palestine.

# The Pacific

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

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

JICA is providing a wide range of cooperation to overcome each country's priority issues. JICA is also extending region-wide cooperation to address common concerns throughout the region, such as disaster risk management, climate change measures and the environmental protection.

**Key Aid Strategies** Providing Effective Cooperation by Applying Japanese Knowledge and Experience

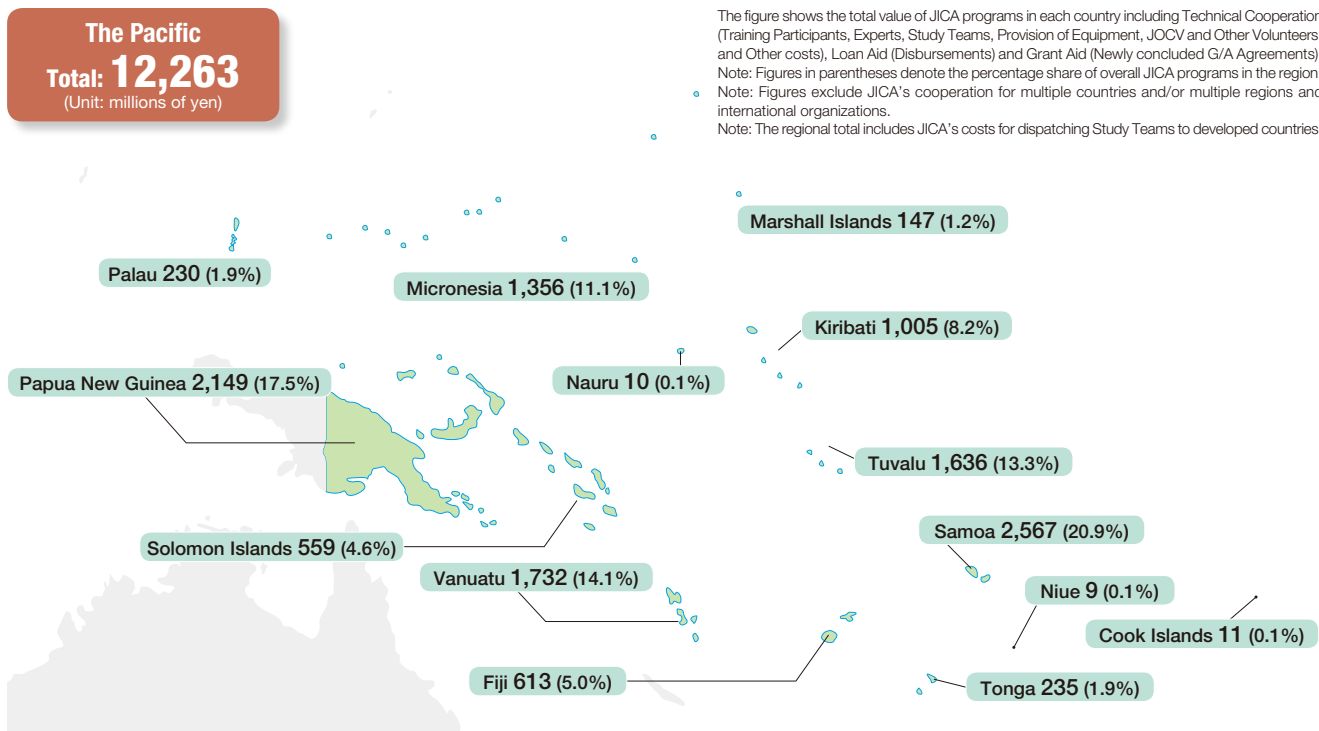
JICA provides assistance to the following countries: Fiji, Samoa, Tonga, Tuvalu, the Cook Islands, Niue, Nauru (in the Polynesian region), Papua New Guinea, the Solomon Islands, Vanuatu (in the Melanesian region), Kiribati, the Marshall Islands, Micronesia, and Palau (in the Micronesian region). These countries with diverse languages also have their own distinctive cultures and customs.

The Pacific island countries used to live a traditional self-sufficient lifestyle. However, the influx of modern economics and culture made their economic structure more import-dependent; consequently, this condition resulted in creating chronic trade deficit in these countries. They have also faced natural environmental issues, including ecosystem degradation, due to

urbanization and environmental pollution. Furthermore, these small islands hardly receive the benefit of necessary social services such as education and health care and transportation infrastructure connecting islands and countries is insufficient. These problems have made it difficult for these countries to achieve socioeconomic development and self-reliance.

JICA is providing region-wide cooperation to these island states to address common issues. 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 through such schemes as third-country training programs. As declared as important at the Sixth Pacific Islands Leaders Meeting (PALM6) of

### JICA Programs in the Pacific (Fiscal 2013)



May 2012 held in Okinawa, JICA is also providing cooperation that applies Japanese knowledge and experience, such as Okinawa's experience in overcoming issues unique to islands.

## Priority Issues and Activities

### ● Environmental Protection

Waste management is a problem common to the small islands of the Pacific region. Since 2011, JICA, in cooperation with the Secretariat of the Pacific Regional Environment Programme (SPREP)<sup>1</sup>, has provided assistance for developing sustainable waste management systems and human resources to 11 countries in the region. Cooperation is provided at the regional level and country level toward the implementation of the Pacific Regional Solid Waste Management Strategy 2010-2015, a common regional goal. By conducting these activities, JICA is assisting in a reduction of the environmental impact of human activity, such as solid waste disposal, and helping to establish a sound material-cycle society on these islands.

Focusing on the oceans around the islands, the people of the Pacific are highly dependent on coral reef ecosystems for a variety of things, such as fishery and tourism resources and disaster prevention. However, in recent years, the coastal ecosystems have been damaged by multiple factors, including overfishing, environmental pollution caused by coastal development and the impact of climate change. JICA and the Vanuatu Fisheries Department have carried out technical cooperation to achieve sustainable management of coastal resources. In the Micronesia region, JICA has utilized the Palau International Coral Reef Center as a project base for technical cooperation in order to improve the research capabilities of coral reef ecosystems and achieve sustainable management of its ecosystems. The project is being carried out jointly with the University of the Ryukyus and the Japan Science and Technology Agency (JST).

### ● Disaster Risk Management and Climate Change

The Pacific island countries are highly vulnerable to natural disasters such as cyclones, floods, earthquakes, and tsunamis.



Counterpart engaged in the sustainable management of coastal resources in Vanuatu



Establishment of a weather observation facility in Samoa under Grant Aid

Due to the large number of remote islands and limited communication and transportation, there is difficulty in spreading disaster warnings and also in delivering emergency aid to residents.

JICA has provided Technical Cooperation, Grant Aid and other cooperation to reinforce disaster prevention measures at the regional level. One specific area of cooperation involves enhancing weather observation and forecast and warning capabilities. JICA is conducting training programs at the Fiji Meteorological Service for experts from each of the countries in the region, as well as developing weather observation facilities in Samoa. In Tuvalu and the Solomon Islands, JICA provides assistance to set up radio broadcast networks for disaster information to give residents quick access to the information. In Fiji and the Solomon Islands, JICA has also engaged in technical cooperation 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.

The Pacific island countries also are vulnerable to the impacts of climate change. In particular, Tuvalu and other low-lying atoll countries are vulnerable to sea level rise and other impacts associated with climate change. With the cooperation of the University of Tokyo and JST, JICA is providing Science and Technology Cooperation for eco-technological research to analyze the biogenic mechanism of production, transportation, and accumulation of sand by coral reefs and foraminifera.

### ● Maritime Transportation

Maritime transportation is essential for the Pacific island countries to ferry people and cargo back and forth between the islands since the territories cover a vast area of ocean. From the perspective of providing access to education and medical services, maritime transportation 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.

<sup>1</sup> SPREP: Regional international organizations guiding environmental policies. An organization consisting of 21 Pacific island countries and Australia, France, New Zealand and the United States.

## ● Social Services

Because many Pacific island countries lack the proper supply and storage systems to ensure safe immunization programs, they require the establishment of a “cold chain” to provide safe supplies of vaccines. Toward that goal, in 2004, JICA committed itself jointly with the World Health Organization (WHO) to cooperation for the Pacific Immunization Programme Strengthening (PIPS). Since then, JICA has been providing the dissemination of technology and human resources 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 Aid and Technical Cooperation, JICA is assisting with the establishment of an information and communication technology (ICT) center and the training of ICT staff at the University of the South Pacific (the main campus in Fiji), which was established by 12 countries in the Pacific region. 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.



Launching ceremony of a ferry provided to the Marshall Islands

### Case Study

## Pacific Region: Efforts for Introduction of Renewable Energy in Island Countries

### Supporting for Hard and Soft Aspects to Meet the Needs

**The Pacific island countries actively work on introducing renewable energy for easing climate change and responding to rising cost of fuel necessary for power generation. JICA develops appropriate supports that meet the needs and circumstances of the countries.**

#### Start of Support for Intangible Aspects

The Marshall Islands sets a policy objective that 20% of currently-used energy will be replaced with renewable energy by 2020. In addition to supports by Grant Aid such as establishment of solar power plant, JICA also provides technical support including

consolidation and development of the legal system and improvement of design technology. These soft aspects are needed for introducing solar power generation to power system, through the development study-type technical cooperation “Project on the Formulation of Self-Sufficient Energy Supply System” initiated from 2013.

#### Utilization of Japanese Advanced Technologies

The Tongan government engages in the introduction of renewable energy. However, mass introduction of renewable energy with large variation, such as solar and wind power, makes it difficult to stabilize power supply. This also disturbs the maintenance of power quality due to frequency variation of power system. Under the “Project for Introduction of a Micro-Grid System

with Renewable Energy for the Tonga Energy Road Map” JICA aims at stabilizing the power system by supporting the development of Micro-Grid control equipment and power system stabilization equipment using advanced technologies.

#### Cultivation of Human Resources with Well-developed Soft Components

In the “Project for Introduction of Clean Energy by Solar Electricity Generation System” for Micronesia, JICA installed solar panels in buildings of federal government and the College of Micronesia.

Moreover, JICA also dispatched engineers to local power authorities and colleges to provide four training programs in installation, management, and maintenance as well as preparing manuals. The introduction of the systems, including soft components, can enhance the staff ability, contributing to appropriate maintenance and management of the systems, such as accumulation of power generation data and periodic inspections.

The systems are also utilized for environment education at the college.



Installation of solar panels in Micronesia



Mongolia: Ulaanbaatar Thermal Power Plant No. 4, the largest power generating capacity in the country. Japan has continuously provided support to this power station since 1992.

## Director General's Message

## Support That Meets Each Country's Needs, and Making 2014 a "Year of Central Asia"



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

**2013 was the year, when the relationship between Mongolia and Japan further deepened, through the visit of Prime Minister Abe to Mongolia in March and the return visit of the Mongolian Prime Minister Norov Altankhuyag to Japan in September.**

**In 2014, JICA will work on to formulate new projects in Central Asia and to raise interest in the region among private companies and people in Japan, taking advantage of the biennial foreign ministers' meeting of the "Central Asia Plus Japan" Dialogue.**

The construction of the New Ulaanbaatar International Airport, the major ODA Loan project in Mongolia, finally started in 2013. Preparatory work for new cooperation in human resources development in the field of engineering education was also implemented in 2013. As a result, a new ODA Loan project was signed in March, 2014 with an aim of forming a foundation for Mongolia to grow as an upper-middle-income country. This project is composed of several components including "Twinning Programs" in which Japanese universities acknowledge Mongolian universities' credit. Moreover, it also incorporates a component in which Mongolian professors will pursue doctoral or masters' degree courses in Japanese universities.

Meanwhile, in Central Asia, an ODA Loan Agreement for enhancing a thermal-electric power station was signed in Uzbekistan. As for the Kyrgyz Republic, cooperation has entered a new phase, with preparations being made for possible resumption of ODA Loans.

After 23 years of independence of the Central Asia and the Caucasus regions at the collapse of the Soviet Union, disparities within the region are widening. While the countries endowed with rich resources, such as Kazakhstan, Azerbaijan, and Turkmenistan have achieved rapid economic growth in the past decade, people's

income levels have remained low in the countries lacking of resources, such as the Kyrgyz Republic and Tajikistan. Continued assistance is necessary to promote economic growth in resource-poor countries.

In 2014, JICA will start a new technical cooperation project on operations and management of the aforementioned new international airport in Mongolia in conjunction with the ODA Loan project. In addition, JICA will support the strengthening of the governance of Mongolia, through promoting small and medium-sized enterprises (SMEs) and public-private partnership (PPP). Furthermore, utilizing the opportunity of the foreign ministers' meeting of the "Central Asia Plus Japan" Dialogue held in the Kyrgyz Republic in July 2014, JICA will work on to raise interest in Central Asia among private companies and people in Japan and make 2014 a "Year of Central Asia."

As for China, based on experience and know-hows that JICA has accumulated through past cooperation projects, JICA will carry out cooperation in selected areas. The focus areas will be related to issues that are relevant to both Japan and China, and also have direct impacts on Japan, such as cross-border issues including air pollution as well as infectious diseases.



# East Asia

## Strengthening Strategic Partnerships Aiming for Mutually Beneficial Relationships

East Asia contains China, a country dealing with numerous issues that include 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 rest of 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 beneficial.

**Key Aid Strategies** Support Regional Stability and Growth that is Sound and Sustained

### Country Overviews and Priority Issues

● **China**

Not only has China achieved economic development, its technological level has also increased. To some extent ODA has already played a role in development aid for China; consequently, JICA's additional contribution through providing Loan and Grant Aid was ended.

In this situation, and in line with policies of the Japanese government, JICA's cooperation is currently extended to the common challenges faced by both countries. Examples include measures against cross-border pollution, infectious diseases, and food security-related issues.

Major projects in this region for priority issues include 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), which, 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**

JICA is focusing on cooperation 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: establishing systems and training personnel to achieve sustainable development of mineral

### JICA Programs in East Asia (Fiscal 2013)



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

(2) Assistance for inclusive growth: creating employment primarily at SMEs and smaller companies to diversify industrial activities, and improving basic social services.

(3) Enhancement of the capacity and function of Ulaanbaatar as an urban center: improving the city's infrastructure facilities, and upgrading urban planning and management capabilities [ → see the Case Study on page 72].

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

The 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. JICA is also extending technical cooperation for establishing smooth management and maintenance systems to be applied when the airport starts operations.

The Project for Capacity Development of Business Persons through the 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. The center also provides Japanese companies with business information.

#### Case Study

### Mongolia: Capacity Development Project for Air Pollution Control in Ulaanbaatar City

## Aid for Restoring Clean Air in Ulaanbaatar

The city of Ulaanbaatar has the world's second-worst air pollution, according to a World Health Organization (WHO) survey. With residents suffering harm from air pollution, urgent actions are needed to deal with the problem. With the goal of developing Ulaanbaatar's capacity to deal with its air pollution, JICA is providing a technical cooperation project to enhance the public sector's capabilities, including the city and national-level agencies in the technical and managerial aspects of air pollution control, which demand a high level of expertise.

The air pollution in Mongolia's capital city, Ulaanbaatar, where temperatures can drop as low as -30°C to -40°C during winter, comes from many sources, including a large amount of coal combusted in boilers and household stoves for heating, which is indispensable to people's daily lives, and emissions from aged coal-fired combined heat and power plants and automobiles, among others.

When this project started, there was very limited understanding of the states of these pollution sources and emissions, just how much these sources were affecting air pollution in the city overall, and what measures were needed to deal with the problem.

### Assessing and Controlling Ongoing Air Pollution

In such circumstances, JICA began full-scale work on the project in March 2010 to address

the issue at the request of the Mongolian government. In order to promote effective air pollution control measures, JICA's first priority in this project was to improve the technical and regulatory capabilities of Mongolian agencies to measure emissions from major pollution sources, to evaluate their impacts on air quality, and to reduce emissions in the city.

Specifically, JICA provided assistance for on-site stack gas measurements of coal-fired boilers to acquire reliable data on emissions—a basis for rational decision-making, for developing an emissions inventory, and for executing an atmospheric dispersion simulation model, which requires advanced technical expertise. As a result, based on the data that the Mongolian agencies collected themselves, the government steadily began to get a clearer picture of how much each source was contributing to air pollution, and to evaluate



Performing on-site stack gas measurement

emission control measures in a practical manner. This process has yielded concrete results, as the Ulaanbaatar City Council has approved for implementation several of the measures evaluated on the basis of technical diagnoses of emission sources with assistance from JICA.

JICA also placed emphasis on institutional development aspects as well as human resources development, creating a boiler registration system to enable the government and the private sector to coordinate together for emissions reduction and building a framework within which government agencies, the private sector, universities, and professional groups cooperate in preparing air pollution measures.

Further, in addition to the government's effective regulatory control of emission sources, clear-cut air quality improvement would require a wide range of efforts, including capital investments and technological improvements at private-sector entities that are causing pollution, fuel improvements, and fuel switching from raw coal to cleaner fuels. Also, measures in land-use planning, urban development, infrastructure development, and investments will play very important roles, along with the necessary strategy and policy elaboration. Restoring clean air to Ulaanbaatar will require such efforts to be carried out steadily by people in Mongolia, based on scientific and technological facts. For that purpose, JICA will continue to provide cooperation aimed at further developing Mongolia's capacity to deal with air pollution.



One of the major sources of air pollution: emission from a combined heat and power plant

# Central Asia and the Caucasus

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

The Central Asia and the Caucasus region, located roughly in 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 in 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.

## Key Aid Strategies Supporting Intra-regional Cooperation for Stable Economic Development

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

the electricity and transportation sector, such as modernizing thermal-electric power stations; (2) supporting human resources development and system-building that 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 income levels in rural areas, and expanding and improving health care and education.

### Country Overviews and Priority Issues

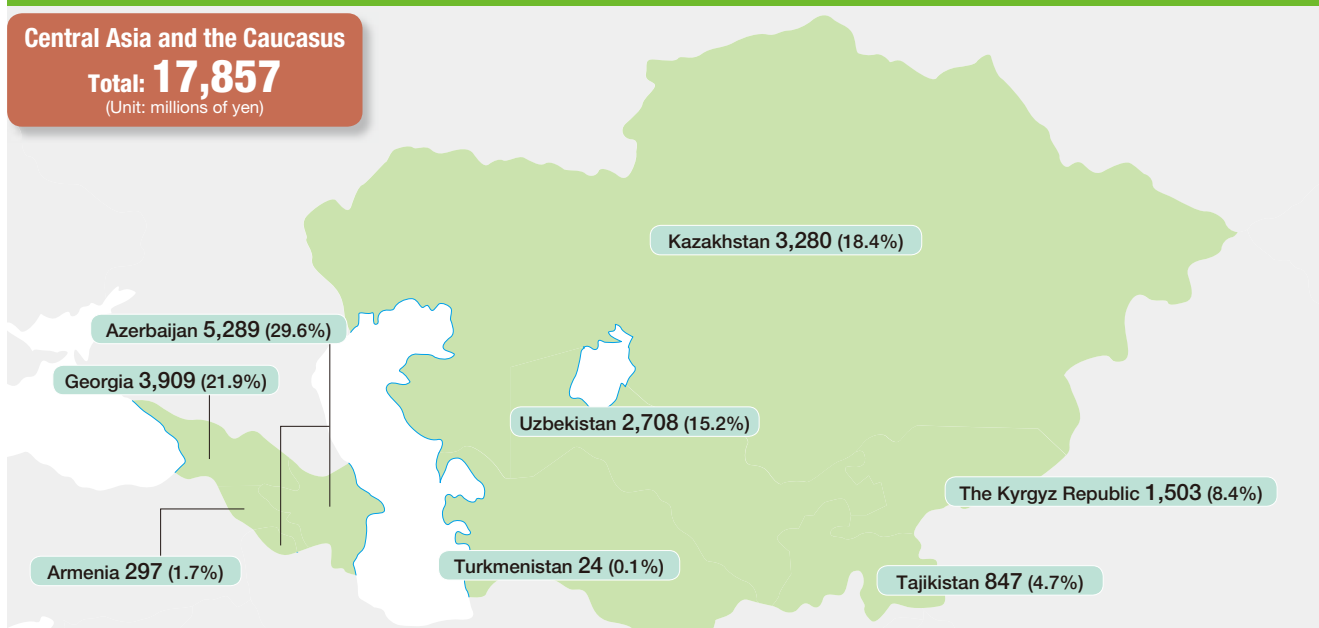
#### ● Uzbekistan

Uzbekistan maintains a robust economic growth rate underpinned by high international commodity prices for natural resources such as natural gas and gold. To ensure the country's continued firm development, JICA is providing aid in three areas: (1) improving and building economic infrastructure for

#### ● Kazakhstan

Kazakhstan, endowed with abundant natural resources, including the world's second-largest uranium reserves is seeking to change its resource-dependent economic structure, and pursuing industrial diversification to achieve balanced and sustained economic growth. The level of Kazakhstan's economic

### JICA Programs in Central Asia and the Caucasus (Fiscal 2013)



The figures show 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), Loan Aid (Disbursements), and Grant Aid (Newly concluded G/A agreements) in fiscal 2013. 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/or multiple regions and international organizations.

development is high, and JICA selects and implements projects in the sectors in which Japan's knowledge and technology can be utilized, with an eye to strengthening business relationships between Kazakhstan and Japan. In specific terms, JICA is providing aid in human resources development in such fields as disaster prevention and management, energy conservation, and production and quality management.

### ● Tajikistan

Neighboring on Afghanistan, Tajikistan is positioned at the juncture of 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 path of departure from poverty and transition to growth by building a foundation for sustainable economic growth through correction of disparities in living standard and the building of infrastructure. JICA priority areas for assistance include (1) improving rural development, including essential social services in Khatlon Province, bordering on Afghanistan; and (2) establishing transportation and small-scale electric power infrastructure at the crossroads of Central Asia and Southwest Asia.

### ● The Kyrgyz Republic

After its independence from the former Soviet Union, the Kyrgyz Republic was one of the first countries in the region to actively pursue a market economy. However, as 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 (1) building transportation infrastructure and (2) developing agriculture and business. Therefore, JICA is providing aid such as road and bridge improvements, aid to strengthen road administrative and maintenance capacity, the One Village One Product Project [→ see the Case Study on page 99], support for drafting agricultural policies, and human resources development for the business sector through the Japan Center for Human Resources Development.

### ● Turkmenistan

Turkmenistan has been strengthening ties with the United States, Europe, and its neighboring countries, with its economy supported by large reserves of natural gas. JICA's cooperation

#### Case Study

#### Tajikistan: Study for Sustainable Medical Herb Cultivation, Preparatory Survey on BOP Business on Licorice Cultivation

### Create Business Opportunities through Cultivation of Licorice, a Precious Herb

Herbs are precious natural resources for Tajikistan, where reserves of oil and natural gas are scarce. They even have potential for creating a new industry sector. JICA extends its support for herb cultivation with two approaches: botanical research and a business model.

#### The Risk of Exhaustion from Excessive Harvesting

Tajikistan is known as a country with a rich natural environment in the Central Asia region. Rich water resources help to grow a wide variety of plants, including precious herbs that grow wild. Licorice, in particular, is one of the herbs used in a variety of herbal medicines and has great demand worldwide. However, licorice's value as herbal medicine was not recognized in Tajikistan, so large-scale

commercial cultivation has not been developed.

Meanwhile, certain precious herbs, including licorice, face the risk of exhaustion on a global basis from excessive harvesting. JICA supported research on herb cultivation in Tajikistan for two years from 2012. A researcher from the pharmacy department of Iwate Medical University was sent to Tajikistan, and a joint study with local researchers was conducted on wild flora growth and cultivation conditions, quality assessment analysis, and



Briefing on licorice cultivation to a farmers' group.

recommended varieties of herbs, including licorice.

#### To Improve Farmers' Incomes

In addition to supporting the botanical research, JICA also extends its assistance to a company that is looking into the possibility of creating BOP business through licorice cultivation.

This assistance to Cokey Co., Ltd., a medical materials producer that aims to establish a licorice cultivation business as well as to improve local farmers' incomes, started in March 2013. Through Cokey's personnel, JICA provides its support for building a business model, organizing farmers, giving technical advice, conducting trial cultivation of licorice, and other activities. Farmers' job opportunities and income levels are expected to improve through a farmers' group selling the licorice that it cultivates to Cokey, utilizing leased agricultural equipment and technical advice. Future project development is anticipated.



Farmers harvesting wild licorice. Dried licorice root is used in herbal medicine.

concentrates mainly on supporting the development of the economy and society through training for government officials to learn about Japanese experiences. Training is provided in such fields as transportation, health care, agricultural development, and promotion of small and medium-sized enterprises (SMEs). The Technical Cooperation Agreement was signed between the governments of Japan and Turkmenistan in September 2013, and it is expected to facilitate smooth implementation of technical cooperation more than ever.

### ● Azerbaijan

With large reserves of oil and natural gas, Azerbaijan has built up its international standing as a natural resource exporter to neighboring countries and to Europe. However, the country needs to diversify its industries to achieve sustainable economic growth. From a viewpoint that renewing economic and social infrastructure and developing human resources supporting industrial development are indispensable to sustaining the country's economic growth, JICA is providing assistance for construction of a power plant near the capital, Baku; construction of water and sewer systems in provincial cities; and training on enhancing public services.

### ● 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, the issues facing Armenia are infrastructure development and the strengthening measures to reduce the impact of disasters. Therefore, JICA is focusing on assistance for economic infrastructure, rural development and strengthening of disaster prevention measures, guided by a basic policy of achieving balanced, sustainable economic growth in Armenia [→ see the Case Study below].

### ● Georgia

Situated at the crossroads of Asia and Europe, Georgia is becoming increasingly important as a route for exporting Caspian Sea oil and gas to 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 basis for economic development.

#### Case Study Armenia: Project for Seismic Risk Assessment and Risk-Management Planning

### Using Japanese Technology to Contribute to Earthquake Damage Reduction in the Capital

Armenia is a mountainous country with high seismic risk, and it has experienced repeated damage from earthquakes. JICA extended its cooperation to reduce earthquake damage in the capital city, Yerevan, where one-third of the country's population resides, utilizing knowledge and technologies obtained through experience with earthquake damage in Japan.

#### Disaster Prevention Administration Based on Risk Assessment

Proper disaster assessment is a fundamental step in prevention and reduction of seismic damage. Together with the Ministry of Emergency Situations and the National Survey for Seismic Protection, JICA assessed seismic risks and analyzed the scale of seismic disasters based on studies of Yerevan's active faults, ground conditions, and geological features. A

seismic risk map was then created based on damage estimates to human life, buildings, and infrastructure. These disaster scenarios were used to establish a risk management plan for the city of Yerevan. It consists of three steps: disaster prevention, emergency measures, and restoration and reconstruction.

In addition to establishing the plan, JICA also focused on raising disaster-prevention awareness among residents through disaster education, so that people can act with a sense of evacuation necessity when a disaster strikes. This was based on the lessons learned from the Great East Japan Earthquake.

JICA also involved itself in building a system to enable people to understand the risks and to take appropriate actions for disaster risk reduction at the time of a disaster. This led to installation of the Immediate Display System for Seismic Intensity Distribution at the Armenian Rescue Service of the Ministry of



Lively discussions took place every week among the project's core members.

Emergency Situations, which was designed to promptly communicate disaster information to the agencies concerned when an earthquake strikes. This visible solution promotes sharing and usage of seismic information, and is also expected to promote cooperation for disaster prevention among the Government of Armenia and the other agencies concerned.

#### Cooperation for Landslide Management Started

In fiscal 2014, Technical Cooperation Project for Landslide Disaster Management in the Republic of Armenia, with the entire territory of Armenia as its scope, has launched. Many landslides happen in this mountainous country. The project will cover creation and dissemination of a comprehensive management plan and various guidelines on landslides, and will develop laws and regulations relating to implementation of necessary measures. JICA will continue to contribute to disaster prevention efforts in Armenia, utilizing Japan's disaster prevention technologies and know-how.



Trench survey technology, to study active faults, is transferred to the members of the National Survey for Seismic Protection.



India: Delhi's Kashmere Gate metro station, constructed by ODA Loan, always bustles with passengers. (Photo by Shinichi Kuno)

## Director General's Message

## The Awakening of South Asia and Its Huge Potential



Toru Arai Director General South Asia Department

There are approximately 1.3 billion people in the world who live on less than US\$1.25 a day, among whom an outsized portion, 500 million, live in South Asia. To reduce this impoverished population, it is important to promote economic growth and accelerate poverty reduction. For Japan, South Asia is farther away, both geographically and psychologically, than Southeast Asia, but the large pool of a youthful population and the abundant labor force is the region's attraction. JICA is engaged in various efforts to maximize such potential, including support for vitalization of private-sector economic activities in South Asia.

In South Asia, to accelerate economic growth and poverty reduction, JICA's initiatives are focused on strengthening governance, improving people's access to social services such as education and health care, and developing a wide variety of infrastructure.

To meet the important challenge of job creation for the large young population, JICA sees the necessity of vitalizing economic activities that would attract foreign investment, including from Japan.

In India, for example, construction of a dedicated freight corridor has started through ODA Loan; it will become the logistical backbone to materialize the Delhi-Mumbai Industrial Corridor concept. A study is being conducted in the Chennai-Bengaluru area in South India, an area with surging economic growth, to develop another industrial corridor project.

In Sri Lanka, assistance is being strengthened toward comprehensive transportation development in the capital city's metropolitan areas and toward the electric power sector.

Compared to the Southeast Asian region, the South Asian region has fewer intraregional economic

transactions. JICA started a study on possibilities in cross-border cooperation in 2013, including seeking insights into supply chain formation. JICA believes that vitalization of private-sector economic activities, through such initiatives as development of cross-border industrial corridors between India and Bangladesh in particular, will benefit the economies of the countries, their neighboring countries, and also Japan.

At the same time, JICA will continue its support in such areas as education and health, with special consideration for poor people. Many cooperation projects in such areas benefit women. Formulation and implementation of projects with a focus on gender issues will be further enhanced in fiscal 2014.

Lastly, in Afghanistan, where 12 years have passed since primary restoration of support started in 2002, moderate but steady income increases are being seen despite unstable environments. JICA will continue to be involved in the reconstruction of Afghanistan through a variety of efforts, with the utmost care and elaborated security measures.

# 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, and has 1.6 billion people that account for about one-quarter of the world's total. 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 as 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 disparity and 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 and is also planning to address transregional and transnational issues.

Concrete Initiatives  
Region-Specific Activities and Initiatives

**Key Aid Strategies**

- Aid for Sustainable Growth and Vitalization of the Private-Sector Economy
- Peacebuilding and Reconstruction Aid
- Inclusive Development and Poverty Reduction
- Countermeasures on 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 the Private-Sector Economy

JICA provides aid toward emerging South Asian countries with notable economic growth, and aims to achieve sustainable growth through assistance in development of transportation, electric power, sewage systems, 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 enhancing cooperation aimed at

collaboration with the private sector.

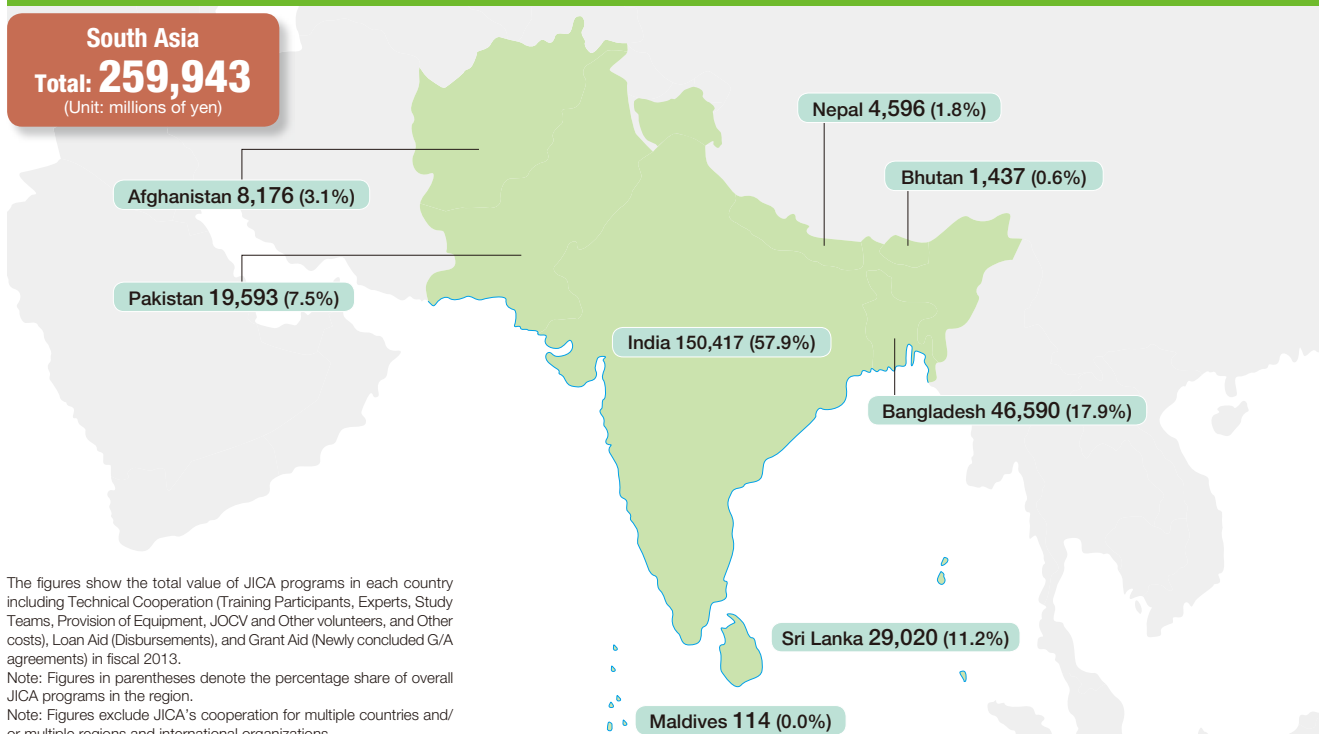
### 2. Peacebuilding and Reconstruction Aid

JICA aims to contribute to the peace and stability of countries and areas in the South Asian region. There are programs in Afghanistan and Pakistan as well as in Sri Lanka, which has been shifting to the development stage from the early reconstruction stage, 30 years after the internal conflict, in May 2009. 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

## JICA Programs in South Asia (Fiscal 2013)



region contains approximately 500 million impoverished 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 socially vulnerable and impoverished segments of countries in planning aid for establishing infrastructure that forms the basis for economic growth and for health care, education, agriculture, rural development, and other fields, JICA is proactively endeavoring to encourage inclusive development, and through such activities, JICA aims to continually reduce the number of impoverished people in the region. JICA is also engaged in gender-related assistance, such as improving women's status and social empowerment.

#### 4. Countermeasures on Environmental Concerns and Climate Change

Pakistan, Sri Lanka, Bangladesh, and other countries in South Asia are highly vulnerable to cyclones, floods, 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 on environmental concerns and climate change.

## Country Overviews and Priority Issues

### ● India

India has been increasing its global presence, with its growing population exceeding 1.2 billion in 2010, and its GDP at purchasing power parity as the third largest in the world for the last three years. The Japan-India relationship has been steadily strengthened, as seen in the visit of their Majesties the Emperor and Empress of Japan to India in November and December 2013,

and the Japan-India Summit Meeting, held in New Delhi and Tokyo in January and September 2014, respectively.

In order to achieve the annual growth rate of 8% during the 12th Five-Year Plan (2012–2017), the Government of India expects that \$1 trillion of investment is necessary for infrastructure development to build the foundation for industries. In this regard, Japan-India joint projects, such as the Delhi-Mumbai Industrial Corridor<sup>1</sup> and Chennai-Bengaluru Industrial Corridor,<sup>2</sup> have been promoted as well as individual projects in the field of transportation and electricity.

Behind such growth, however, 400 million people, or 32.7% of the total population in 2010, live on less than \$1.25 a day. This is the largest poverty-stricken population in a single country worldwide. In fiscal 2013, JICA signed a Grant Agreement for the project named “Improvement of the Institute of Child Health and Hospital for Children Egmore, Chennai, Tamil Nadu, India,” to tackle an urgent challenge of improving the quality of health and social services for low-income people.

Along with economic growth, India has been demonstrating its importance as a node of South Asian supply chains, which makes connectivity with Southeast Asian countries necessary while India is strengthening its economic interdependency with the region. Through the “Data Collection Survey on Cross-Border Cooperation in South Asia,” JICA has studied the logistics and transportation infrastructure in the Indian border areas, as an example of increasing Japan-India cooperation.

### ● Bhutan

Bhutan is a landlocked country located at the eastern tip of the Himalayas, with a population of about 700,000. Bhutan is

1. A Japan-India joint project of regional development to construct a Dedicated Freight Corridor between Delhi and Mumbai through a Japanese ODA Loan, and to develop infrastructure such as industrial parks, logistics bases, power stations, roads, ports, residences, and commercial facilities along the railroad, mainly through private investments.
2. A Japan-India joint project of a comprehensive regional development plan in the rapidly growing Chennai-Bengaluru area, succeeding the Delhi-Mumbai Industrial Corridor.

#### Case Study **India: Investment Promotion Program in Tamil Nadu State**

### Improving the Investment Environment to Promote Direct Investment from Overseas Investors, Including Japanese Companies

**In India, a country with a population of more than 1.2 billion and rapid economic growth, JICA assists the continuing economic development by engaging itself in improving the investment environment based on requests from Japanese companies.**

#### Policy Supporting ODA Loan

India is one of the most important countries for Japan. In fact, India's GDP at purchasing power parity has already overtaken Japan's, and now India is the third-largest economic power in the world. The number of Japanese companies operating in Tamil Nadu State in southern India, in particular, is increasing rapidly due to the State's advantages, such as its location on the sea lane connected to the Southeast Asian region, ample labor, and the State's consistent policies to attract foreign investors.

However, underdevelopment of investment

infrastructure is a challenge for India. India was ranked 132nd out of 185 countries in the World Bank's “Doing Business 2013” report, which measures the ease of doing business; this ranking was lower than those of neighboring South Asian countries. Japanese companies operating in Tamil Nadu have been sending suggestions for improvement in infrastructure, including investment rules, roads, and water and sewerage systems to the state government every year.

Under these circumstances, JICA signed a Japanese ODA Loan agreement with the Government of India in November 2013 for the



Program Monitoring Committee of the Tamil Nadu Investment Promotion Program

Tamil Nadu Investment Promotion Program. It is a program loan, which provides loan proceeds according to the implementation of efforts made by Tamil Nadu State to improve the investment environment, such as institutional improvement and infrastructure development that are strongly demanded by overseas investors, including Japanese companies.

Together with the Government of Tamil Nadu, JICA is promoting enhancement of the investment environment and infrastructure development through periodical joint monitoring of the implementation status of policies.



known for its commitment to the fundamental concept of Gross National Happiness (GNH). The concept aims to create a society that focuses not only on the economic growth but also on people's happiness. Bhutan's average GDP growth rate is approximately 8% from 2008 to 2012, and this high economic growth was achieved based on supplies of hydroelectric power utilizing the country's abundant water resources. On the other hand, a number of challenges have emerged in recent years, such as issues related to urban environment due to rapid urbanization, job creation, regional disparities, and the vulnerability of the economic foundation.

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

### ● Afghanistan

In its operations in Afghanistan, JICA is pursuing projects that contribute to economic growth, including job creation, and the stabilization of the lives of citizens in the country while implementing a maximum level of safety, taking into account the unstable security situation. Working together with the Afghan government, JICA has been extending its assistance in two priority areas: infrastructure development, mainly in the Kabul metropolitan area, and agriculture and rural development.

For the Kabul metropolitan area, development of social and economic infrastructure such as highways and electric power, construction of a new city in the Dehsabz district, and redevelopment of Kabul city have been completed, and formulation of further projects involving highways, water resources, and other infrastructure components are in progress.

For agricultural and rural development, JICA extends its assistance in strengthening administrative functions and capacities, human resources development, development and

management of water resources, and improvement of agricultural productivity, along with others.

In addition, JICA runs the Project for the Promotion and Enhancement of the Afghan Capacity for Effective Development (PEACE). This Project sends up to 500 training participants to Japanese graduate schools for medium- and long-term human resources development in priority fields such as infrastructure and agricultural development. JICA has also been cooperating closely with international organizations such as the United Nations Children's Fund (UNICEF) and international NGOs including the Aga Khan Foundation in order to extend our 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 people. Following the September 11 Attacks in 2001, 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 large number of people still left poverty-stricken—about one in four citizens is poor.

Consequently, the emphasis of JICA's assistance for Pakistan is centered on three themes: (1) improvement of economic infrastructure, (2) achievement of human security and improvement of social infrastructure, and (3) stabilization and balanced development of the Pakistan-Afghanistan border areas. JICA is placing priority on the assistance for solving energy shortages, which have been a bottleneck for economic activity,

#### Case Study

#### Pakistan: The Project for Promotion of Value Added Fruit Products in Gilgit-Baltistan

### Adding Value to Fruit through the Pakistan-Japan Relationship

JICA supports sales and value-addition to fruit products such as apricots to mitigate rural poverty in Pakistan.

#### Also Sold in Japan's Major Department Stores

In the Gilgit-Baltistan (GB) area, located in the northern part of Pakistan and surrounded by mountains over 7,000 meters above sea level, horticulture is widely conducted, making use of meltwater and the cool climate. However, due to a lack of expertise in processing, marketing, and other necessary procedures, a large amount of products is wasted or sold locally at low prices. Adding value to these fruit products plays an important role in mitigating poverty of farming households.

For the Project for Promotion of Value Added Fruit Products in GB, JICA has chosen

apricots and apples as target products with the potential of value-addition based on a basic research conducted beforehand, and is providing technical advice on cultivation, selection, and drying, and furthermore on packaging, market development, and branding.

The tangible results of this cooperation are being witnessed one after another, leading to income increases for farming households. Trial sales of apples with improved selection and packaging process in Islamabad resulted in prices almost twice as high as before at the fruit and vegetable markets. Also, dry apricots prepared with improved harvesting and processing methods are sold not only in



An apricot dryer made using local materials on a trial basis. Improvements are being made to enable farmers to produce clean, fine, dry apricots in a shorter time in their gardens.

domestic Pakistani markets, but also in major Japanese department stores and specialty organic food stores. The prices are sometimes double compared to those in the past.

As such, in this Project, the Pakistan-Japan relationship is improving productivity, adding value to horticultural products, and contributing to poverty mitigation of farming households in Pakistan.

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 and Grant Aid in a single program and also building infrastructure and establishing frameworks for water and sewer systems in urban areas. Furthermore, utilizing the knowledge gained from being one of the world's most disaster-prone nations, JICA has helped Pakistan to draw up its National Disaster Management Plan and is providing the country with assistance for its early execution.

### ● Sri Lanka

In Sri Lanka, there are about 20 million people living in an area equivalent to 80% of Hokkaido, Japan. Ever since the end of the 30-year conflict in 2009, growing postconflict reconstruction demand is stimulating economic growth. Sri Lanka is maintaining a high real GDP growth rate of 7.3%, and its GNI per capita has reached \$2,920 in 2012; Sri Lanka is now recognized as a middle-income country.

The Government of Sri Lanka, aiming to promote economic development and conflict reconstruction simultaneously, has set a development goal of \$4,000 GNI per capita by 2016. In order to achieve this goal, the Government plans to increase private-sector investment by improving infrastructure such as transportation and electricity. The Government is also implementing measures to mitigate economic disparity between urban and rural areas.

Based on the development needs of Sri Lanka to relieve worsening traffic congestion in Colombo city, JICA has signed an ODA Loan agreement for the New Bridge Construction Project over the Kelani River in fiscal 2013. JICA has been assisting the establishment of transportation network for the Colombo Metropolitan Region through the formulation of the Urban

Transport Master Plan and the introduction of a highway traffic control system. There are other projects operating to improve electricity, water supply, and sewerage systems; to advance disaster management; and to enhance agricultural productivity through reformation of the vegetable seed supply chain system in rural areas.

### ● Maldives

The Maldives are a small island country comprising 1,190 islands and with a small population of 340,000 (2012). Therefore, it is difficult to conduct comprehensive social development programs in the country. The economy is based on the tourism and fisheries industries, which together account for about 40% of the country's total GDP, making the economy vulnerable to external shocks.

Considering these characteristics of the Maldives, JICA is cooperating in fields that contribute to socioeconomic development of the Maldives, and stabilization and improvement of people's lives (including climate-change adaptation). JICA volunteers are helping in areas such as education and youth development. In addition, JICA is providing aid for installation of clean energy systems.

### ● Bangladesh

Bangladesh has the eighth-largest population in the world, approximately 150 million people, and through development of industries that include garments and apparel, the country has kept economic growth at an annual average rate of 6% in the past 10 years. Recently, Bangladesh is emerging as a fascinating market and a destination for investment, due to its advantages such as rich reserves of low-cost labor and its potential market size. However, inadequate infrastructure development in such areas as

#### Case Study **Sri Lanka: Climate Change and Disaster Management Program**

### Utilizing Japan's Experience and Knowledge in Disaster Prevention

**Sri Lanka is always faced with threats of natural disasters such as floods and landslides; it had lost countless lives and property. Expenditure spent on disaster restoration and reconstruction has been a huge burden to the economy. For the country to become disaster-resilient, JICA is engaged in building disaster prevention systems and supporting the enhancement of disaster management capacity.**

#### Supporting Disaster Management Capacity Enhancement

More than 30,000 people were killed in Sri Lanka by the Indian Ocean Tsunami, caused by the Sumatra-Andaman Earthquake in December 2004. In 2005, together with World Bank and Asian Development Bank, JICA conducted the Joint Needs Assessment Survey to assess the preliminary needs of the tsunami-affected communities in terms of the medium to longer term reconstruction and recovery phases following the relief period. Since 2011, JICA has initiated the Emergency Natural Disaster Rehabilitation Project to reconstruct infrastructure heavily damaged by floods, such

as roads and irrigation facilities.

Previously, the Government of Sri Lanka focused more on disaster recovery, but after the Indian Ocean Tsunami suffering, it aims to develop their capacity in disaster prevention. The Government enacted the Disaster Management Act in May 2005, which laid out a comprehensive legal framework that covers disaster prevention, recovery, and rehabilitation (including emergency relief, restoration and reconstruction), to cope with natural disasters and climate change.

In preparing Sri Lanka's disaster prevention measures, Japan's knowledge and experience in disaster management were utilized. With the



Tsunami Evacuation Training conducted as a part of the Project

Disaster Management Capacity Enhancement Project Adaptable to Climate Change (2010–2013), JICA has assisted the Government of Sri Lanka to establish disaster prevention models among related government authorities, and planned measures to enhance disaster management capacity in the medium to long term.

In addition to the technical cooperation in landslide countermeasures, improvement of weather observation, forecasting, and warning systems, JICA will further contribute to enhancing Sri Lanka's disaster management capacity through the ODA Loan project Landslide Disaster Protection Project of the National Road Network.

electricity, transportation, water supply, and sewerage systems has been an impediment to development. The country is also highly vulnerable to natural disasters such as cyclones, floods, and earthquakes. Reducing poverty is an enormous challenge, as over 50 million residents, accounting for approximately one-third of the population are impoverished.

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 infrastructure such as electric power and transportation systems. JICA's support includes development of an urban railroad system to relieve the chronic traffic congestion in the capital city of Dhaka, transportation system development between Dhaka and Chittagong, and development of electric power stations. JICA signed a Grant Agreement for the Project for Improvement of Airport Safety and Security Systems in fiscal 2013, and is assisting with enhancement of air transportation safety.

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, earthquakes, and floods. Besides these measures, JICA is continuing its efforts to improve basic education and maternal and child health care. Furthermore, JICA is providing assistance in building infrastructure in rural areas that have been left out, human resources development of public officials, and strengthening governance in local administration and anticorruption measures.

## ● Nepal

A landlocked state located between the two Asian giants

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

The Maoist Communist Party of Nepal formally began a civil war in 1996, which lasted for 10 years. Since the signing of a comprehensive peace agreement in November 2006, the peace process has progressed steadily. The 2nd Nepalese Constituent Assembly was held in November 2013 for the purpose of drafting a new constitution, and a new government was established. Under the new government, economic conferences have been held in succession, including the Nepal Economic Summit, and plans have been put in place to continue development in fields with large growth potential, such as agriculture, hydropower generation, and tourism. On the other hand, in addition to inadequate infrastructure and poverty issues, disparities based on gender and ethnicity, and other background issues are a concern.

Aimed at achieving equitable and sustainable economic growth, JICA's assistance to Nepal covers infrastructure development, consolidation of peace and a steady transition to democratic state, and poverty reduction in rural areas. Among infrastructure projects, construction of the 160-kilometer-long Sindhuli Road, symbolizing Japanese support for Nepal, for which JICA has extended its assistance since 1996, is expected to be completed in March 2015 [→ see the Case Study below]. JICA has also provided an ODA Loan for construction of a hydropower plant.

For democratization and poverty reduction, JICA is providing support for legal system development and strengthening of public administration capacity as well as the development of agriculture, education, and health sectors.

### Case Study

#### Nepal: The Project for the Construction of Sindhuli Road

## The 160-Kilometer Road Completed after 20 Years of Construction; Beyond Completion, We Hope to See More Smiles in People's Lives

Through construction of Nepal's trunk road, JICA is contributing to vitalization of the country's economy as well as to better livelihoods of the people living along the road.

### Road Completion Expected in March 2015

Nepal is a landlocked country located between China and India. Since the capital city, Kathmandu, is in the middle of the country, the roads that carry agricultural products from the Terai plane, bordering India to the south, along with imports from India, are the most important infrastructure to support the economy of Nepal.

However, major traffic between Kathmandu and the Terai used to rely on one trunk road, and cargo transportation was often suspended by landslides in the rainy season, when the road was blocked. In order to improve the situation, the Sindhuli Road has been under construction through Grant Aid from Japan.

The road is 160 kilometers long, equivalent to the distance between Tokyo and Shizuoka.

This construction project, which started in 1995, has overcome many difficulties, including landslide and flood damage caused by heavy rain and suspension of construction during deterioration of public order and unstable political conditions caused by the activities of Maoists. Now the road is expected to be fully completed in March 2015.

The construction of Sindhuli Road has brought bright changes to people living along the road, whose population is estimated to be about 1.17 million. Feedback from the people is positive. For instance, their income has increased due to the fast transportation of foods like vegetables, fruits, and milk by truck, while in the past they were carried on foot and some tended to spoil. People's lives have become more free of anxiety because ambulances can

drive into the villages now, and more children go to school by taking buses.

Beyond completion of the road project, a new project on commercial agriculture promotion will soon begin; it will increase incomes of the people living along the road, and we hope to see more smiles in their lives.



Sindhuli Road, Section II, winds along a steep mountain slope. Technology from Japan, a country with mountainous terrain similar to Nepal's, assists. (Photo credit: Nippon Koei Co. Ltd.)



Mexico: along with economic growth is the growing importance of supporting industry that sustains manufacturing. (Photo by Kenshiro Imamura)

## Director General's Message

## Unifying Strengths of Japan's Public and Private Sectors in Enhancing Development Results



Takeshi Takano Director General Latin America and the Caribbean Department

We have seen robust progress in 2013 in partnerships between Japan's public and private sectors to maximize development impact for each of the pillars of assistance to Latin America and the Caribbean (LAC). The FIFA World Cup 2014 attracted Japanese interest to Brazil and triggered interest in the rest of LAC. Prime Minister Abe's official visit to the region in 2014, the first in a decade as a head of government, announced the commitment of further strengthening ties between Japan and LAC. JICA will continue to contribute to the development of the region and fostering the bond between the two.

In fiscal 2013, there was substantial progress in our operations in the field of energy. JICA has been collaborating with the Inter-American Development Bank (IDB) on development projects in geothermal and hydroelectric power generation and renewable energy as well as projects related to energy conservation in Central America and the Caribbean under the framework agreement with IDB, known as CORE (Cofinancing for Renewable Energy and Energy Efficiency). Responding to a huge demand, CORE has been raised to \$1 billion, the maximum allowed for JICA's ODA Loans. At the same time, there was also an expansion in the number of countries eligible for the CORE scheme. In November 2013, JICA signed a cooperation agreement with Costa Rica on the construction of several geothermal plants as one of the CORE projects. Surveys for the development of geothermal power generation are underway in Guatemala and Nicaragua, and also projects in similar fields are under consideration in Ecuador and Peru.

JICA has provided extensive support to the LAC region, prone to natural disasters such as earthquakes, tsunamis, floods, and mudslides, for disaster reduction and recovery efforts. In 2013 a loan agreement on Stand-By Emergency Credit for Urgent Recovery, a new financial scheme to respond to capital needs at the time of disasters, was

concluded with Peru. A similar arrangement is now under negotiation with El Salvador. In the area of human resources development in disaster reduction and recovery, JICA will partner with Chilean institutions in triangular cooperation under the Japan-Chile Partnership Program.

In LAC, the development of infrastructure has not caught up with social factors resulting from economic growth, such as the growing middle classes, the advent of an automobile society, and concentration of the population in cities. While JICA works with the goal of mitigating traffic congestion and air pollution, JICA will best utilize Japan's urban transportation and smart cities technologies. In the field of industry, JICA is working on promoting support for the manufacturing industry and developing human resources in Mexico. A similar approach will also be applied in South America as well.

Partnering with Japan's private sector and local governments is essential in such industry-related issues. In 2013, JICA invited policy-makers from relevant institutions in partner countries to Japan to visit private and public entities in loco. The successes achieved by these activities can be measured in the deepened understanding of the partner countries on latest technologies and systems.

# Central America and the Caribbean

## Promoting Effective Development Cooperation

While the Central America and the Caribbean<sup>1</sup> 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 that regional and intraregional cooperation initiatives are overcoming region-wide development issues, JICA supports sustainable development of the region based on three priority areas: (1) Development of economic infrastructure in order to pull out of the middle-income trap;<sup>2</sup> (2) Addressing global issues; and (3) Disparity reduction from the perspective of human security.

**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 root 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, many countries have vulnerable economic structures highly reliant on primary product exports and overseas remittances. In recent years, some countries have faced an uncertain economic situation due to the international financial crunch in Europe and the unstable support system of Petrocaribe, an energy cooperative organization led by Venezuela. Central America and also the Caribbean face many problems, such as

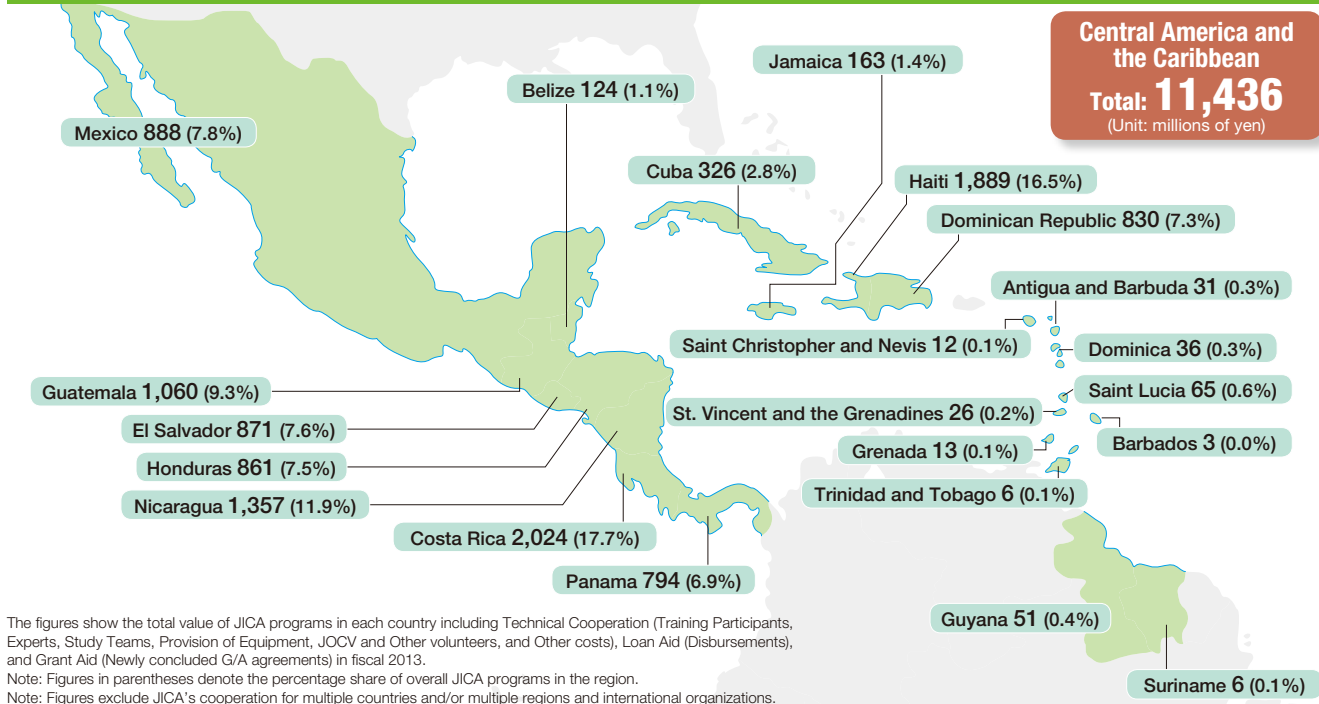
frequent hurricanes and other natural disasters.

In order to overcome these common issues and achieve regional development, 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, along with assisting in solving regional and global-scale issues.

The year 2014 is the 20th anniversary of the commencement

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.
2. 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.

### JICA Programs in Central America and the Caribbean (Fiscal 2013)



of the Japan-CARICOM Consultation, and also marks the 50th anniversary of diplomatic relations between Japan and Jamaica and Trinidad and Tobago. To commemorate this anniversary, the Government of Japan has designated 2014 as the Japan-CARICOM Friendship Year. JICA focuses on “Disaster Risk Management and Environmental Conservation” and “Fisheries” as the priority areas, and will promote surveys and projects necessary for facilitating interaction between Japan and Caribbean countries.

The year 2013 marked the 10th anniversary of the commencement of the Japan-Mexico Partnership Programme (JMPP), which has been providing support to countries in the region by both the Mexican and Japanese governments. To celebrate this event, a commemoration ceremony and symposium were held in Mexico in February 2014. The ceremony had in attendance many people from Brazil and Chile, where partnership programmes have been carried out with JICA similar to those in Mexico, as well as from international organizations supporting South-South cooperation. Outcomes and lessons learned from the Triangular cooperation and the South-South cooperation projects were shared among participants. Working together with partner countries, JICA will continue to support effective implementation of Triangular cooperation.

Moreover, JICA is also promoting Triangular cooperation in collaboration with emerging countries such as Mexico, under the JMPP.

## Priority Issues and Activities

### ● Improvement of Economic Infrastructure in order to Pull Out of the Middle-Income Trap

In the Central America region, economic growth has been hampered by civil wars, sluggish development of socioeconomic infrastructure due to natural disasters, and delayed response

to rapid urbanization. For contributing to the development of economic infrastructure’s tangible and intangible aspects, JICA is promoting enhancing infrastructure construction and productivity enhancement. This effort also gives consideration to the Win-Win relationship between the Japanese economy and the partner nations through creating business opportunities.

In Panama, JICA makes contributions to reducing urban traffic congestion and developing measures for climate change focusing on tackling air pollution, as well as conducting a feasibility study on bridge construction. Furthermore, a memorandum of understanding on Technical Cooperation for sewage disposal was signed between JICA and the Panamanian government. This project will be implemented with the cooperation of Yokohama City, which has excellent sewage control and operational technologies. Through the introduction of Japan’s public and private technologies, this project is expected to play a pivotal role in allowing the Japanese private sector to seek participation in the water business in Panama.

In recent years, there has been increasing need for advanced technologies in Cuba, where foreign investment has been encouraged. Thus, JICA is promoting public-private cooperation in the health sector, providing medical equipment with Japan’s advanced technologies. In conjunction with inviting Cuban officials to Japan in November 2013, JICA hosted the Cuba Public-Private Partnership Seminar for Japanese companies and organizations interested in opening businesses in Cuba, to share information on Cuba’s investment environment, the health care situation, and other matters. The Cuban officials met people involved in medical equipment in Japan and exchanged opinions. They gained a further understanding of Japan’s medical system, overseas deployment strategy for technologies and services, and the latest medical technologies.

Gas exhalation test in Guanacaste province, Costa Rica. Utilization of Japan’s geothermal technology is expected.



#### Case Study

#### Central America and the Caribbean Regions: Co-financing for Renewable Energy and Energy Efficiency (CORE) Scheme

### Promotion of Renewable Energy and Energy Efficiency in Cooperation with the Inter-American Development Bank

**Not only do the Central American and Caribbean regions heavily depend on fossil fuels, fuel imports have also squeezed the international trade balance of many countries in the regions. Hence, in cooperation with the Inter-American Development Bank (IDB), JICA is promoting projects for renewable energy and energy efficiency in the regions.**

#### Increase in the Target Amount and Expansion of Target Areas

In January 2011, a memorandum was signed between JICA and the Inter-American Development Bank (IDB) to realize the enhancement of comprehensive cooperation, such as promotion of cofinancing and joint research in the fields of renewable energy and energy conservation. In March 2012, both parties also agreed to the framework for implementing the Cofinancing for Renewable Energy and Energy Efficiency (CORE)<sup>1</sup>.

As the first CORE project, the ODA Loan

agreement of the National Program of Sustainable Electrification and Renewable Energy was signed between JICA and the Nicaraguan government in October 2013. This project promotes rural electrification by small-scale hydroelectric generation, as well as the introduction of sodium-vapor lamps and light-emitting diodes (LED) to street lamps.

In November, the Cooperation Agreement for Guanacaste Geothermal Sector Loan was also concluded among JICA, the Costa Rican government, and the Costa Rican Institute of Electricity (ICE). Under this agreement, several

geothermal power plants will be constructed.

In addition, the 3rd IDB cooperation training program on energy conservation was held in 2013. Along with developing human resources, JICA is also engaged in sharing information on Japan’s energy conservation technologies with personnel involved in policy-making and project management in other countries.

In March 2014, JICA signed a memorandum to raise the target amount of CORE to \$1 billion. The target area was also expanded to include the Caribbean Development Bank, eastern Caribbean countries, and most middle-income countries. Along with utilizing CORE, JICA will continue to make efforts at solving issues in the fields of climate change and energy in association with the IDB.

1. CO-financing for Renewable energy and Energy efficiency

## Addressing Global Issues

### ● Climate Change Countermeasures: Renewable Energy, Environmental Protection and Improvement, and Disaster Prevention

Through the 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 [→ see the Case Study on page 44]. JICA also assists in climate change adaptation measures, such as the strengthening of disaster prevention capabilities.

For example, in El Salvador, JICA will develop natural disaster-resistant infrastructure by applying the natural disaster risk diagnosis method for public infrastructure that has been accumulated through past technical assistance. This will be carried out under the Japanese ODA Loan “San Miguel Bypass Construction Project.” JICA is preparing to contribute to improving disaster response capability by providing a Stand-By Emergency Credit for Urgent Recovery (SECURE), which is an ODA Loan of immediate financial support necessary for reconstruction projects after the occurrence of natural disasters.

In the field of environmental protection, the Technical Cooperation Project for Promoting Participatory Biodiversity Conservation is also in place in Costa Rica. This project is conducted in accordance with the implemented Technical Cooperation project, Participatory Management of Barra del Colorado National Wildlife Refuge Project. In the project, JICA is working on systematic categorization and verification of outcomes and experiences in order to share the efforts in Costa Rica with other Central American countries.

### ● Assistance for Mitigation of Socioeconomic 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. JICA aims to achieve inclusive development in this region, where inequality is a serious issue, through capacity development of the government, communities, and residents.

JICA is conducting the Technical Cooperation Project for Maternal and Child Health in three western prefectures with high poverty ratios in Guatemala. This project aims at providing high-quality health care services to women and infants in health care facilities. JICA is also engaged in strengthening the referral system between health centers and hospitals, as well as providing training programs for assistant nurses. In addition, a database has been established to collect and manage personal information on mothers and children and data on their nutritional intake during and after pregnancy. The database helps analyze the causes of neonatal mortality. Utilizing the database, JICA will enrich training programs for nutritional improvement of pregnant women and enhance enlightenment activities in communities.

Four years after the earthquake in Haiti, the country is in transition from post-disaster recovery toward development. JICA is assisting this shift by providing the country with assistance for the improvement of basic health care services. For example, JICA is assisting the restoration of the water supply system in Leogane and also the rehabilitation of the Hospital in Jacmel, both cities that were affected by the earthquake. JICA is also jointly working with the UN Children’s Fund in order to reinforce cholera prevention, as well as holding third country training programs in Morocco with the objective of developing human resources for maternal and child health care. Through these projects, JICA aims to improve and reinforce the health care services of Haiti, which presently has the lowest health indicators in the Central American and Caribbean region.

Diagnostic imaging



#### Case Study

**The Dominican Republic: Long-term Cooperation through the Dominican-Japanese Friendship Center for Medical Education**

### Extending the Success of Medical Education Support to Five Central American Countries

For many years, JICA has carried out medical education support in the Dominican Republic. Successful outcomes have been extended to five Central American countries through JICA’s third country training program. This effort has contributed to improving the health care services in these countries.

#### Training Program Emphasizing Clinical Practice

With regard to the health index of the Dominican Republic in 1995, the infant mortality rate was 37 per 1,000 births; the under-five mortality rate was 45 per 1,000 births, and the maternal mortality rate was 110 per 100,000 women. The result is the third-lowest among the Central American and Caribbean countries, behind only Guatemala and Nicaragua.

In 1999, the Dominican-Japanese Friendship Center for Medical Education (CEMADOJA) was constructed by Grant Aid and the Technical

Cooperation “Medical Education and Training Project in Dominican Republic” was also implemented for technology transfer in the field of diagnostic imaging and public health, as well as enhancement of the management capability of the center. Clinically oriented training programs utilizing advanced diagnostic imaging equipment were provided to residents in radiology and radiological technologists in the country. As a result of these efforts, CEMADOJA has received high acclaim as a training institution.

From 2005, the third country training program titled “Training for Improving Image

Diagnostic Technology for the Central American and Caribbean Regions” started inviting participants from five Central American countries: Honduras, Panama, El Salvador, Guatemala, and Nicaragua. Physicians and radiological technologists of CEMADOJA served as instructors to teach diagnostic techniques using MRI, CT, and other techniques.

Trainees from the five countries who acquired practical skills in the Dominican Republic are contributing to their countries by taking advantage of what they learned from the programs. For example, in Guatemala, the resident training program of CEMADOJA has been adopted in the internal education and research curriculum. CEMADOJA is making contributions to improving the quality of health care services in the Central American and Caribbean regions.

# South America

## Implementing Effective Cooperation with Various Partners

South America, gifted with abundant natural and mineral resources and fertile soil, is achieving steady economic growth spurred by the recent increases in worldwide demand for resources and foods. As a result, income levels have risen in many countries in the region. At the same time, South American countries are still characterized by large disparities in income distribution, where large numbers of people live in poverty in the shadows of economic growth.

JICA, as a development partner, contributes to solving priority issues set out for each country in the region and also partners with them to extend cooperation within and beyond South America in triangular form to support their sustainable economic growth. JICA also concentrates efforts on issues of global scale, such as disaster risk management and quick response as well as forest preservation in the Amazon Basin, which have a significant impact on the global environment.

Going forward, JICA will focus on extending cooperation on economic infrastructure development, mitigating disparities, and addressing global issues, while strengthening partnership with governments and civil societies of the region, including Japanese descendants, private sector entities, and universities in an effort to reach out on the development needs of countries within and beyond Latin America.

**Key Aid Strategies**

**Developing Economic Infrastructure, Mitigating Disparities and Addressing Global Issues**

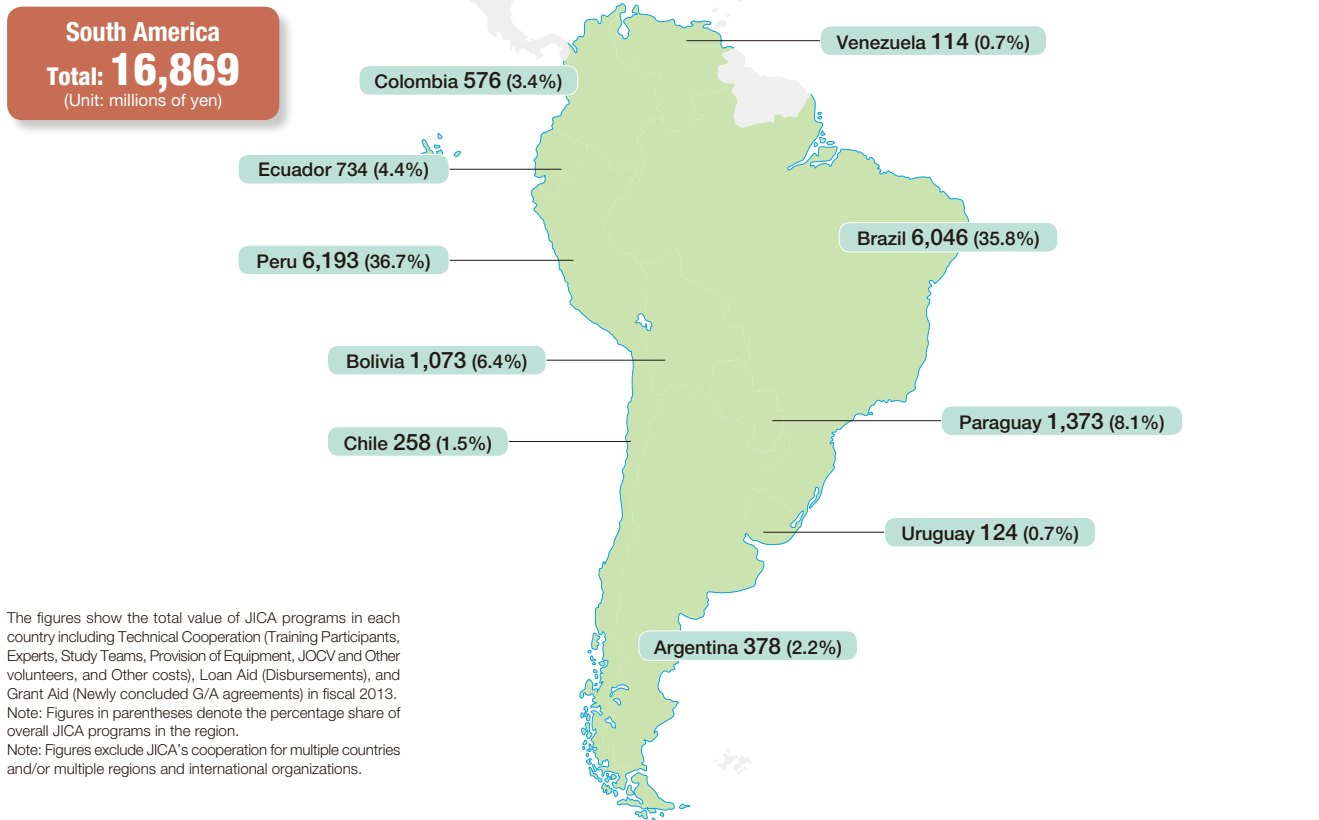
JICA's support in the South American region focuses on three assistance pillars, namely, developing economic infrastructure, mitigating disparities, and addressing global issues.

### (1) Developing Economic Infrastructure

South America, with a population of 400 million people, has a high market potential. The economy of many countries in the region, however, depends heavily on the production and export of primary products, which makes them extremely vulnerable to

global economic and market trends. Inadequate infrastructure, weak industrial and trade promotion, and lack of sound investment environment also hinder sustainable development. Strengthening of the administrative capacities of the governments and stabilizing public security are a foundation for encouraging private sector economic activities. Urban environmental problems are getting worse with economic growth, and these problems require an urgent response as well.

## JICA Programs in South America (Fiscal 2013)



The figures show 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), Loan Aid (Disbursements), and Grant Aid (Newly concluded G/A agreements) in fiscal 2013. 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/or multiple regions and international organizations.



## (2) Mitigating Disparities

Many countries in the region are facing relatively huge disparities compared with countries in other regions of the planet. In spite of the steady economic growth of recent years, there persists considerable social anxiety created by the presence of income gaps at the national and regional levels. Under these circumstances, efforts are being made to mitigate disparities and stabilize society in addition to undertakings to foster economic growth.

## (3) Addressing Global Issues

It is important to address global issues such as disaster risk reduction and climate change because South American countries have considerable impact on food, resource, and energy security of the world, and Japan, like other countries, imports food and resources from this region.

The Japan-South America relationship is likely to deepen further from this perspective with the presence of more than 1.6 million Japanese immigrants in the region.

## 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.

In the city of Cusco, Peru, known for the Machu Picchu ruins, the San Jeronimo Sewage Plant was completed in 2013 under the “Project for Regional Water and Sewerage Development” (ODA Loan).

In recent years, the sewage drainage volume in the city has increased due to growing tourism and a rising population resulting from improved security. Although the city had utilized an older sewage plant built 30 years ago, the volume of sewage was four times higher than its handling capacity. Consequently, inadequately treated sewage was released into the Watanay River in Cusco. After the completion of the new sewage plants, adequately treated water meets the sewage standard. The new plant also allows people to enjoy fishing along the lower course of the river, as well as to utilize the river water for irrigated agriculture.

In Paraguay, more than 80% of the roads are unpaved and are frequently impassable in the rainy season. These conditions cut off the logistic routes of major industries, such as the livestock industry, interfering with economic activity. JICA is providing support to help establish stable economic growth in the region such as granting ODA Loan to Paraguay for the “Eastern Region Export Corridor Improvement Project,” which will improve the existing road to smoothly link the production region of its livestock industry with ports for export.

Progress in regional integration and economic globalization has accelerated trade activities inside and outside the region. On the other hand, there is an increased need to tighten control over illicit drugs, firearms, and products violating intellectual property rights by organized crime. In JICA’s Third Country Training



Sewage Plant in Cusco funded by ODA Loan (Peru)

Program “Customs Risk Management” conducted with Argentina, the Program provides training on cracking down on infringing products and the Customs Mutual Assistance Agreement to customs officers from 12 Latin American countries. JICA also shares information on Japan’s latest technologies, such as large X-ray screening machines, explosive-substance detecting devices, and so forth.

### ● Poverty Reduction and the Mitigation of Disparities

Behind the rapid economic growth, disparity has been increasing, and South American countries set poverty reduction and mitigation of disparities as policies with overriding priority.

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 Technical Cooperation project “Capacity Development for Promoting the Sustainable Integral Rural Development for Poverty Reduction in Chimborazo Province,” JICA promotes the understanding of the residents in 30 communities spread across 4(four) zones in the province regarding a significance of participatory development. It also assists in enhancing the implementation structure for collaboration and coordination among the ministries, local governments and local organizations concerned. The Project organizes farmers groups and provides training programs on education, agriculture, health etc. as components of comprehensive rural development. By doing so, their initiatives and self-reliant efforts will be encouraged to improve their livelihoods and incomes. JICA aims at improving the income and life environment of the people in the target areas by facilitating the understanding and support of the residents regarding government-promoted participative development.

Bolivia has maternal and child mortality rates that are extremely higher than other countries in the region. In the La Paz Department, to which the administrative capital belongs, access to health care facilities is relatively easy in urban areas, while there is a low utilization ratio of health care services in rural areas. This circumstance in the department creates a worse maternal and child health situation than in other departments. Through the Technical Cooperation project “Project for Strengthening the Health Network in Rural Region Focusing on Mother and Children Health,” JICA is working on increasing the utilization ratio of health care services and improving the quality of maternal



Participatory Healthcare Activities under JICA Project (Bolivia)

and child health services. This Project is carried out utilizing the FORSA model, a method for participatory health activities that was developed in a past project. The FORSA model was adopted in 2013 as a recommended model for the Multicultural Community Family Health Policy (SAFCL), which is a health policy promoted by the Bolivian government. This model has contributed to enhancing Bolivia's health policies throughout the country, not limited to the target areas.

In Colombia, the long struggle between the government and armed groups has caused the world's largest internally displaced population, with over 4.5 million civilians displaced as of 2012. From fiscal 2008 to 2013, JICA provided various forms of support under the "Program for Supporting Victims of Conflict, Coexistence, and Reconciliation." In the Program, JICA supported the social rehabilitation of internally displaced people and the victims of landmines, along with facilitating the coexistence and reconciliation of victims, victimizers, and receiving communities. Some victims lost their land in the conflict. The Colombian government is now working on the development of a land information system for effective land restitution. Since the system requires advanced information security management, the Colombian government sought assistance from Japan, which has experience in the peacebuilding field and the most highly advanced information technologies in the world. The Technical Cooperation project "Project on Capacity Development on Information Security Management of Land Information System for Land Restitution Policy Promotion" by JICA is expected to play a pivotal role in strictly managing property and personal information on land restitution claimants, as well as conducting the government-promoted land restitution process in a smooth and safe manner.

### ● Addressing Global Issues

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 in order to contribute to resolving global issues.

Brazil has faced the need to prevent deforestation and reduce carbon emissions in the Amazonian rain forest, the largest forested area in the world. To cope with these issues, JICA is implementing the "Carbon Dynamics of Amazonian Forests

Project" under the Science and Technology Research Partnership for Sustainable Development (SATREPS). A joint research team consisting of Japan's Forestry and Forest Products Research Institute, the University of Tokyo and Brazil's National Institute of Amazonian Research, the National Institute for Space Research is studying a method to calculate the accumulated amount of carbon in the Amazon region. This research is utilizing data on the accumulated amount of carbon that is calculated per forest type, as well as remote sensing information that includes satellite images. Establishment of a highly accurate and efficient calculation of the amount of carbon accumulated in forests has been a challenge in designing the system of REDD-plus (Reducing Emission of Greenhouse Gases from Deforestation and Forest Degradation or through forest conservation in developing countries). As a result, joint scientific cooperation with the outstanding technologies between both countries is expected to contribute to international discussion on the establishment of the REDD-plus system [ → see the Case Study on page 83].

Similar to Japan, Chile is an earthquake- and tsunami-prone country. Earthquakes of magnitude 8.8 and 8.2 jolted the country in 2010 and in April 2014, respectively. Tsunamis occurring in Chile may trigger a sizable impact on Japan, across the Pacific Ocean. Since Japan also suffered the Great East Japan Earthquake in 2011, the actual situation and lessons learned from the disaster are expected to be shared with the international community for enhancement of tsunami risk reduction. Hence, JICA is supporting the Research Project on "Enhancement of Technology to Develop Tsunami-Resilient Community" (SATREPS), a joint research project with Chile. Based on the experiences of both countries, this Project develops tsunami disaster estimation technologies, tsunami warning methods, and educational methods for disaster prevention. Through these efforts, JICA aims to develop knowledge and technologies for cultivating tsunami-resistant communities and residents in Japan, Chile and other countries. As a secondary effect of this Project, various kinds of people involved in disaster risk reduction in Chile have strengthened their partnerships with each other.

Peru is also a country with many earthquakes and tsunamis. The great earthquake of 2007 in Ica, located in the south of Lima, caused economic losses of about \$3 billion. Since El Niño/La Niña have also occurred frequently, disaster response is an urgent issue for the Peruvian government. JICA has provided Peru with disaster risk reduction assistance for over 40 years. Currently, JICA is carrying out the Project for "Enhancement of Earthquake and Tsunami Disaster Mitigation Technology" (SATREPS) and the "Project for Improvement of Equipment for Disaster Risk Management" (Grant Aid) in Peru. In response to urgent financial needs for disasters, the agreement titled "Stand-By Emergency Credit for Urgent Recovery" (ODA Loan) was concluded for the first time in the Latin America in order to support immediate reconstruction. Continuing to utilize various schemes, JICA will be flexibly engaged in disaster risk management support in Peru.

### ● Strengthening Relationships with Japan's Public and Private Sectors

Public funds from national governments themselves or aid from foreign countries have a smaller impact on the overall

economy in higher income countries, where private sector economic activities are the major force to drive development.

In South America, Japanese private companies have entered the mining and energy sector and others and the number of these companies are increasing each year. 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.

JICA has dispatched the Second Partnership Promotion Survey in Latin America to Brazil, Peru and Paraguay [ → see

the Case Study on page 116]. More than 20 private companies and organizations participated in the study team, holding meeting with the governments, local companies and local *Nikkei* organizations in the countries. As a result, some Japanese companies started to consider using JICA's programs to start business in these countries and others began to develop concrete business plans with local *Nikkei* society.

### Case Study Effort to Diffuse Koban System in Brazil

## Nationwide Diffusion of Koban with Public Trust

In the 1980s, the image of the Brazilian police was not favorable, and the public felt a sense of distrust. This is due to police officers' high-handed behavior and violence with the public. In 1997 the São Paulo State Police decided to introduce the Japanese-style community policing system, aiming at erasing its previous image and improving relations with the public.

### Emphasizing Crime Prevention in Cooperation with Residents

The community policing system exists not only in Japan but also in the United States, Canada, and the United Kingdom. However, the São Paulo State Police decided to adopt the Japanese-style model, since surveys by the police showed that Japan's Koban (police box) system focuses on crime prevention in cooperation with residents and features walking or cycling patrols and patrol communication.

Through the Brazilian government, the police requested JICA for Technical Cooperation. In response to this, JICA started Technical Cooperation from 2000, including dispatch of short-term experts, training programs on individual issues, and so forth. In the cooperation program, a Brazilian police officer first learned Japan's Koban system and later reported its effectiveness to senior police officials of the São Paulo State Police. This finally resulted in the initiation of full-scale

Technical Cooperation.

The phase-1 of the Technical Cooperation project, called the "Community Police of Public Security," was implemented in 2005 for three years. Some Japanese police officers were dispatched to the São Paulo State Police as experts, providing patrol guidance by walking in the city with local police officers. Under the Project, they were engaged in diffusing Japanese-style community policing based on model Kobans at 54 sites within the jurisdiction.

At the same time, 73 police officers were trained as community police instructors for the São Paulo State Police, and also over 500 state police officers participated in in-state training courses. As a result, this Project contributed to establishing the concept of community policing for the São Paulo State Police.

### Making Kobans Familiar to Residents

In the phase-2 of the project, titled the "Project on Implementation of Community



Japanese expert coaching the local police officers at a Koban in São Paulo State. (Photo by Shinichi Kuno)

Policing Using the Koban System," JICA conducted diffusion and deployment of community policing to 12 states, including São Paulo. This project, started in 2008, continued for 3 years. In addition, seminars led by Japanese police officers were provided to 9 states, and the curriculum for community police has been introduced to several state police academies. Some Kobans have set up library rooms, installed some computers, or offered *futsal* lessons so that people can feel free to visit them. These efforts play a role in bringing the public and the police closer and building up trusting relations between them. Some Kobans are called familiarly as simply "Koban" in Japanese pronunciation.

According to the resident awareness survey conducted in 2007 by the São Paulo State Police, 55% of the respondents gave favorable responses, such as "very good" or "good," in light of this, the Koban system has earned the public's trust. Another research also shows that the number of murders was reduced from 600 cases in 1998 to just 3 cases in 2011 in an area of São Paulo City, in the State of São Paulo.

### Implementation of Phase 3 Has Been Approved in 2013

The Brazilian government and the State of São Paulo also requested the phase-3 project, Project on "Implementation of Community Policing, for the purpose of nationwide diffusion and deployment." In response to this request, the implementation of this Project has been approved in March 2014. Japan's Koban system is expected to spread throughout Brazil as "KOBAN" and contribute to the country's security improvement.



Local police officers heeding the voices of residents (Photo by Shinichi Kuno)



Tanzania: a fish market in Dar es Salaam that was built by Japan's Grant Aid program, conducted in 1999 and 2000. (Photo by Shinichi Kuno)

## Director General's Message

## Looking Ahead to the Next Five Years to Achieve TICAD V Commitments



Eiji Inui Director General Africa Department

**The Fifth Tokyo International Conference on African Development (TICAD V), held in Yokohama in 2013, received delegations from 51 African countries. The Yokohama Action Plan 2013–2017, adopted by the conference, comprises three pillars — robust and sustainable economy, inclusive and resilient society, and peace and stability — and six action plans, which will lead African development for the next five years. To achieve these commitments, JICA is working on materializing effective projects responding to differentiated development needs of each African country and region.**

The centerpiece of the first pillar of TICAD V commitments, — robust and sustainable economy — is to develop growth corridors. As many African countries are land-locked, the transportation costs are relatively high. In order to heighten their competitiveness in the global market, it is essential to promote harmonization of various trade regulations, as well as regional infrastructure development, within the region. In response to such demands, JICA is promoting comprehensive corridor development to create conducive environment for more effective transport and logistics.

As part of such efforts, JICA is working on developing strategic master plans on development of infrastructure, systems, and human resources that are necessary to attract foreign investment in 10 areas with distribution network development potentials along the corridors. For this purpose, some concrete projects have already started in East and Southern Africa. From fiscal 2014, JICA will launch 10 human resource development centers as a core initiative for building capacity of 30,000 people for business and industry. As part of this initiative, JICA will also carry out the African Business Education Initiative for Youth (ABE Initiative), aimed at developing capacity of 1,000 people to strengthen partnership between African and Japanese businesses.

In the African region, agriculture is an important part

of the economy and also a base for building an inclusive society. At TICAD V, JICA re-launched the following agricultural development initiatives which were broadly welcomed to be further extended in the next five years; the Coalition for African Rice Development (CARD), which is attempting to double the production of rice in a decade, and the Smallholder Horticulture Empowerment Project (SHEP), which aims at increasing earnings of small-scale farmers by practicing market-oriented agriculture.

In the field of education, JICA will move forward by focusing on the two types of projects: the School for All approach designed to improve the educational environment by facilitating communities' participation in school management, and the Project on Strengthening Mathematics and Science in Secondary Education (SMASE), which aims to provide quality science and mathematics education in secondary and high school classrooms in Africa.

The key challenge for African development is to maintain the economic growth that has been sustained on an upward trend since the late 2000s. Furthermore, it will be important to achieve a more balanced social and economic development through building an inclusive society, where more benefits from extractive industries would be invested to social development as well as to boosting economic growth.

# Africa

## Hand in Hand with a More Dynamic Africa<sup>1</sup>

The Fifth Tokyo International Conference on African Development (TICAD V) was held in Yokohama in June 2013. The year 2014 marks the 60th anniversary of the commencement of ODA, and also 2013 marked 20 years since the inception of TICAD process in 1993. In the past 20 years, Africa has successfully shifted from a continent with poverty and conflict to a hopeful continent with growth and prosperity, as it has been achieving an annual economic growth rate of 5% and above. Interest to the continent within Japan has been growing since TICAD V, while many of developed and emerging countries also focus on the growth potential of Africa. Working with domestic and international partners, JICA is extending support to African countries with the goals of achieving sustained growth and reducing poverty.

Concrete Initiatives  
Region-Specific Activities and Initiatives

**Key Aid Strategies** Promote Support for the Current Dynamic Growth and Inclusive Development of Africa with Strengthened Public-Private Partnerships

### ● The Independence of African countries, 20 Years of TICAD Process, and Trajectory of Japan's Support for Africa

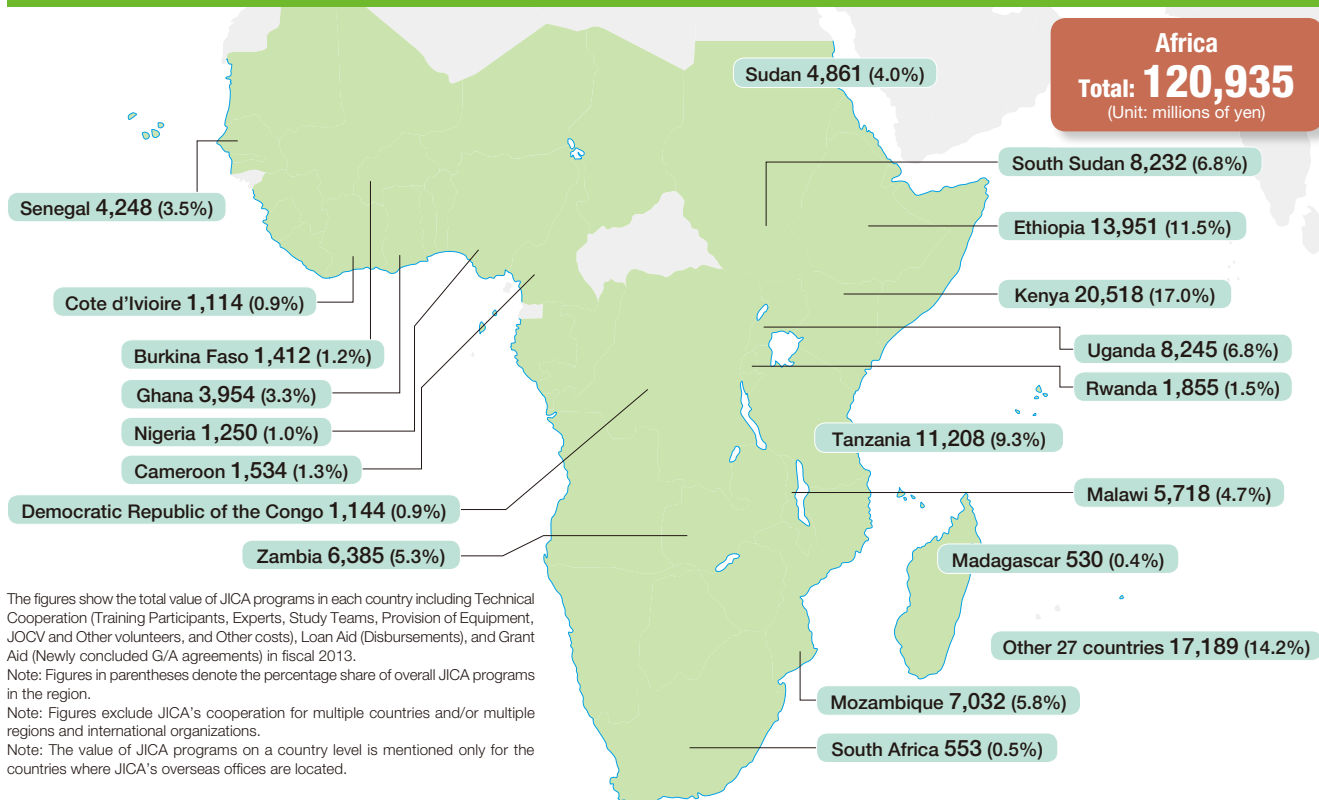
After World War II, African countries had achieved independence from colonization, starting with the independence of Libya in 1951. In 1960, as 17 countries achieved independence, the year was called the Year of Africa. In 1966, starting with Kenya, Japan started dispatching Japan Overseas Cooperation Volunteers and Technical Cooperation for Africa to assist with building new independent states in the region. In the 1970s, JICA conducted several symbolic projects in Africa: the project on Jomo Kenyatta University of Agriculture and Technology in Kenya (Grant Aid and Technical Cooperation), the project on the Noguchi Memorial

Institute for Medical Research in Ghana (Grant Aid and Technical Cooperation), construction of the Matadi Bridge in the Democratic Republic of the Congo (ODA Loan), the project for the development of the Kilimanjaro Region in Tanzania (ODA Loan and Technical Cooperation), and expansion of the Suez Canal in Egypt (ODA Loan).

In the 1980s, however, Africa faced a long economic stagnation over the decade. In spite of successive structural adjustment support and debt-relief measures by developed countries and international organizations, the economy failed to recover. Consequently, support for Africa gradually ran into an

1. The TICAD V theme.

### JICA Programs in Africa (Fiscal 2013)





The only bridge over the Congo River, built by ODA Loan in 1983. JICA is currently providing support to enhance the maintenance capability of the bridge. (Photo by Shinichi Kuno)

impasse. After the end of the Cold War in 1989, the international community lost their interest on Africa.

In such circumstances, the Japanese government and the United Nations jointly hosted TICAD I in 1993 to regain the interest of the international community in African development. Due to amounted reactions and expectations from Africa and international community, TICAD has been held every five years since 1993. Thus, TICAD set a precedent model for similar summit level meetings which are host by the European Union (EU), China, and the United States.

TICAD is a forum for African development, jointly hosted by Japan, Africa, the United Nations, the United Nations Development Programme (UNDP), and the World Bank. This forum, widely open to the international community, the private sector, and the civil society, not only announces the outcomes of discussions as a political message, but also draws up concrete “action plans” and follows up on their implementation status.

JICA's support for Africa is carried out to achieve the agreement by TICAD and the commitment of the Japanese government. In the 1990s, in response to the outcomes of TICAD I and II, JICA's assistance focused mainly on satisfying basic human needs, human development, and poverty reduction, with a strong attention to the fields of education, health care, and water supply. In the 2000s, there were growing demands from African countries to support economic development and growth in the context of their economic recovery. Due to this background, TICAD III and IV highlighted regional infrastructure and agricultural

development as priorities of the action plans. Furthermore, as the conflicts had ended in Sudan, the Democratic Republic of the Congo, Liberia and Sierra Leone, JICA has been initiating peacebuilding and reconstruction support for these post-conflict countries since the 2000s.

### ● Progress One Year after TICAD V

At TICAD V, the Japanese government announced public and private support of up to ¥3.2 trillion, including ODA of ¥1.4 trillion, as well as financial assistance of ¥650 billion to infrastructure development over the next five years. At the first ministerial conference of TICAD V held in Cameroon in May 2014, Foreign Minister Kishida reported that ¥342.5 billion of ODA had been implemented in the year of 2013, accounting for 25% of the policy pledge (ODA of ¥1.4 trillion for five years); this has been conducted at a good pace.

JICA is emphasizing the following efforts in order to embody the TICAD V priority issue: Promote Support for the Current Dynamic Growth of Africa with More Strengthened Public-Private Partnerships.

## Priority Issues and Efforts

### ● Development of Human Resources for Industry: The ABE Initiative

Prime Minister Abe delivered a speech at TICAD V about the African Business Education Initiative for Youth (ABE Initiative). In this program, 1,000 young people from Africa will be invited to Japan over the next five years to study at Japanese universities and receive internship experience at Japanese companies. JICA will be responsible for the most part for the ABE Initiative. About 150 African students have been accepted for the fall semester of 2014 after nominating universities to receive the participants and selecting candidate participants in Africa, JICA aims to accept 900 African students in total by the end of fiscal 2017.

The goal of the ABE Initiative is to accept participants from Africa, as well as to promote interaction between the participants and Japanese companies in order to build the foundation for business partnership development between Japan and Africa. To do so, JICA is holding domestic and international briefing sessions for Japanese companies, along with registering companies interested in the program.

Through schoolwork at graduate schools in masters programs and internship and interaction programs at Japanese companies, the participants from Africa are expected to play a leading role in trade, investment, and business between Japan and Africa.

### ● Corridor Development and Strategic Master Plans

Regional infrastructure development project was agreed on at TICAD IV in 2008 as a priority issue, and JICA provided financial support of ¥400 billion of ODA. In order to effectively facilitate regional infrastructure development through the public support of ¥650 billion committed at TICAD V, TICAD V declared emphasis on corridor development as key traffic hubs in Africa, as well as on drawing up strategic master plans which will develop specific blueprints for corridor development.

Three target areas have been already determined: the Northern Corridor, in Eastern Africa, connects Kenya to Uganda, Rwanda, and South Sudan [→ see the Case Study below]; the Nacala Corridor, in Southern Africa, links northern Mozambique to Malawi and Zambia; and the West Africa Growth Ring connects the Gulf of Guinea countries, including Cote d'Ivoire, Ghana, and Togo, with inland countries such as Burkina Faso.<sup>2</sup> JICA will conduct these projects in a quick and effective manner by exchanging opinions with Japanese companies from formulation of upstream plans to implementation of highly prioritized projects.

### ● Shift from Subsistence Farming to Farming as Business: The SHEP Approach

Although agriculture in Africa has enormous land and great agricultural potential, subsistence agriculture using traditional farming methods still prevails in the region. Thus, an increase in agricultural earnings has been attempted by shifting from subsistence agriculture to market-oriented agriculture.

The Smallholder Horticulture Empowerment and Promotion Unit Project (SHEP) conducted by JICA in Kenya is a project to provide small sized farmers with advice on the selection of crops and cultivation methods so that they can make a profit in the market. This project has accomplished outstanding results in Kenya; earnings of the farmers that received guidance from SHEP doubled in two years. In TICAD V, Prime Minister Abe announced that the SHEP approach would be extended and carried out in 10



The Smallholder Horticulture Empowerment and Promotion Unit Project (SHEP) in Kenya.

countries.

In May and November 2014, JICA invited African officials in charge of agricultural development to Kobe and provided a training course titled Market-oriented Agriculture Promotion for Executive Officers in Africa. In this course, they learned some advanced practices such as the market circulation system of agricultural crops, promotion of agriculture, and agricultural management in Japan. JICA is also identifying target countries for

2. As of the end of May 2014.

#### Case Study Kenya: Support for Investment Promotion and Logistics Improvement

### Support for Development of Major Logistics Routes and Gateways to the East African Market

The Mombasa port in Kenya, the largest international trading port in East Africa, serves as the gateway and important trading post on the Northern Corridor<sup>1</sup> connecting to inland states such as Uganda, Rwanda, and Burundi. Longtime assistance from JICA has allowed the port to further expand the logistics function around the port. Also, there is a plan moving forward to establish a free-trade port and a special economic zone on the south bank of the port.

#### A 40-Year Contribution to Infrastructure Development

Starting with the Project on Expansion of Mombasa Airport in 1973 as the first ODA Loan project for Kenya, JICA has supported infrastructure development in Mombasa for 40 years, including construction of a diesel power plant.

In response to freight handling that has been rapidly increasing due to recent economic growth, JICA has been conducting the Mombasa Port Development Project (ODA Loan) since 2007. A new freightliner terminal with cargo-handling equipment, including cranes, will be completed by February 2016. Large container vessels will be also able to berth at the new terminal.

In the Mombasa Port Area Road Development Project (ODA Loan), started in 2012, JICA is developing a road connecting the new

freightliner terminal to the Northern Corridor, as well as a bypass road toward the south bank of Mombasa port. The development of these roads is accelerating the Kenyan government's plan to establish a special economic zone (SEZ) with a duty-free port on the south-bank area.

#### Improving Logistics to Attract Foreign Investment

In the Project on Master Plan for Development of Dongo Kundu, Mombasa Special Economic Zone, a development study conducted since January 2014, JICA is engaged in drawing up a business hub concept, selecting applicable industries and functions, developing an infrastructure development plan, and surveying and considering the management system. This project mainly targets the Dongo Kundu area, approximately 12 km<sup>2</sup> on the south bank of the port. Technical Cooperation will be provided to



The Northern Corridor.

A gleaming new freightliner terminal seen from the air.



draw up a development plan for the whole port; furthermore, JICA is also considering support to design an urban development plan for the city of Mombasa.

Strategic support to develop the Mombasa port, the city of Mombasa, and the Northern Corridor are expected to contribute to attracting foreign investment, including from Japan, and stimulating the economic development of East Africa.

1. A road and railroad corridor branching from the Mombasa port of Kenya to Uganda, Rwanda, Burundi, and South Sudan through Nairobi.

the SHEP approach by discussing and considering the possibility of introducing the approach in other countries.

### ● Japan-Africa Business Women Exchange Program and Japan-U.S. Cooperation

In the Yokohama Declaration 2013, adopted by TICAD V, the importance of gender empowerment was agreed on as a crosscutting approach. To that end the Japanese government announced the implementation of the Japan-Africa Business Women Exchange Program. In January 2014, JICA hosted the first exchange program by inviting 14 women entrepreneurs and relevant administrative officials from seven countries in Africa to Tokyo.

During the event, JICA and Yokohama, host city of TICAD V, jointly hosted a public symposium under the theme “Growing Together with the Rising Women of Africa!” Keynote speeches



Participants in the Japan-Africa Business Women Exchange Program. These African women in their traditional attire sparkle with power.

were delivered by Mayor Fumiko Hayashi of Yokohama and Caroline Kennedy, the U.S. ambassador to Japan; panel discussions were also provided by female entrepreneurs from Africa, Japan, and the United States.

This program has been positioned as part of the U.S.-Japan Global and Regional Cooperation that was announced when U.S. President Barack Obama visited Japan in April 2014. At the African Women’s Entrepreneurship Program, held in the United States in August, JICA provided a Kaizen workshop. More activities are planned after 2015 to empower female entrepreneurs from Africa, Japan, and the United States.

### ● 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.

In Northern Africa and the Sahel region<sup>3</sup>, however, there have been conflicts between Islamic extremists and other terrorist groups and government security agencies in recent years. Stabilization is a pressing issue for this region. Considering this background, in February and March 2014, JICA invited 25 senior officials of court, prosecution, and police from eight West African countries and provided the training course titled Francophone Africa Criminal Justice Training. In cooperation with the United

3. The region located approximately between latitudes 20°N to 12°N; the southern part of the Sahara, including Ethiopia, Eritrea, Gambia, Djibouti, Sudan, Senegal, Chad, Nigeria, Niger, Burkina Faso, Mali, Mauritania and other countries.

#### Case Study Efforts on Gender Equality in Africa

### To Build a Society in Which Women Shine

JICA is providing cooperation to African countries with a focus on gender.

#### Empowerment of Rural Women

Women play a pivotal role in the rural life in Africa. However, there are still some barriers for women to access markets or social services and networks. Limited access to skill acquisition or finance loans often prevents women from increasing their agricultural earnings. Also, several issues regarding basic livelihood opportunities still remain in the region, such as low school attendance rates, insufficient maternal and child health services, and other issues.

For achievement of sustainable economic growth, it is important to develop an environment where women can maximize their abilities as well as to promote gender-equal participation in economic activities. Under this philosophy, JICA is working on empowering women in African countries. Gender-sensitive projects by JICA include an introduction to farm equipment, including weed-eaters easily handled by women; the promotion of women’s participation in the decision-making process;

and provision of skill-acquisition opportunities to raise their incomes. JICA is also providing support for improvement of women’s school attendance rates, installation of water facilities that can free women from the labor of drawing water, and enhancement of maternal and child health systems.

#### Opportunities to Empower Women in Poverty Activation of Women’s Centers in Nigeria

From the late 1980s, Women’s Development Centers (WDCs) were established at 700 sites in Nigeria for the purpose of providing rural women with literacy and vocational training. Under the Project on Activation of Women Development Centers (WDCs) to Improve Women’s Livelihoods, JICA focused on WDCs and initiated a management model project in northern Kano State in 2007. This project helped improve the quality of courses, such as literacy, sewing, cooking, dyeing, and soap production.



A woman carrying her baby on her back attending a sewing class at a Women’s Development Center in Nigeria. An environment where women can study while raising their children is being developed.

The women who successfully acquired the skills enjoy economic benefits. Consequently, this project allowed not only for encouraging men and communities to understand women’s participation in economic activities but also for facilitating the empowerment of women, including establishment of social networks. Phase 2, which started in 2011, aims to promote the outcomes of WDC activation throughout the country.



Nations Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders (UNAFEI),<sup>4</sup> this program covered regional responses to transnational organized crime such as terrorism. In addition to such short-term responses, JICA also combines mid- and long-term responses to food and poverty issues that prone to be hotbeds of terrorism.

In Mali, located in the Sahel region, new cooperation projects were suspended due to a military coup that erupted in March 2012. However, after the presidential election in July 2013, JICA resumed training programs in October 2013, when the domestic security situation was becoming stable. In May 2014, JICA is making efforts to resume full assistance, for example, by inviting 10 officials from Mali to the Mali ODA Seminar in Japan, aimed to categorize priority issues on reconstruction and development in Mali, as well as to enhance dialogue on the direction of future cooperation for the country.

In Somalia which had long been in a state of anarchy after the regime collapsed in 1991, a national unity government was established in November 2012 for the first time in 21 years. The international community is now providing assistance for rebuilding the country. In April 2013, the Japanese government decided to resume bilateral assistance. JICA will also resume training programs in Japan with a focus on security measures, improving basic social services, and vitalization of domestic industries, along with expanding the third country training program that is currently in practice in Kenya.

In addition, in South Sudan, which became an independent state in July 2011 after a half century of civil war, political conflict



Trainees from the state-run TV and radio stations in South Sudan. They are visiting the studio of the public broadcasting system during the third country training program in Kenya, part of the Project for Institutional Capacity Development of South Sudan TV and Radio.

between pro-presidential groups and groups loyal to the former vice president has escalated in December 2013. This situation forced JICA staff and experts to temporarily evacuate<sup>5</sup>. Even under severe circumstances, JICA is making efforts for capacity building of the media, which plays an important role in facilitating peaceful national reconstruction, through training programs in Japan and neighboring countries such as Kenya. JICA will continue projects for South Sudan and assist in stabilizing and developing the country.

4. A UN-run regional training center established based on an agreement between the United Nations and the Japanese government. It is engaged in strengthening the sound development of, and mutual cooperation on, criminal justice in each country, including the Asian Pacific region, and has provided training programs to over 4,900 people in the criminal justice field.  
5. JICA South Sudan Office is scheduled to reopen in November 2014.

#### Case Study

### Democratic Republic of the Congo: Police Democratization Training of the National Congolese Police

## For Building a Nation Where People Can Lead Secure Lives

**Due to the conflict that has been ongoing since the 1990s, domestic security enforcement has been the top priority issue for the Democratic Republic of the Congo (DRC). JICA and international organizations have jointly contributed to training about 20,000 police officers.**

### Receiving High Commendation from Other Aid Organizations

The national police in DRC was formed through the integration of several antigovernment armed groups. Many of the police officers who are to protect people's lives are former members of antigovernment armed groups; moreover, few of them have received proper police training. Unsurprisingly, this problem has caused a lack of awareness among them in terms of protecting civilians and human rights.

JICA started a cooperation project for the national police in 2004 and has provided opportunities to retrain police officers jointly with the Mission of the UN in the Democratic Republic of the Congo (MONUC) since 2005.

From 2011 to 2013, in cooperation with the UN Stabilization Mission in the Democratic Republic of the Congo (MONUSCO, since 2010) and the United Nations Development Program (UNDP), JICA provided six-month

long-term basic training programs to about 2,500 police officers consisting of newly hired officers and former members of antigovernment armed groups. In addition, JICA also provided instructor training to 86 officials in order for them to carry out training programs by themselves in the future. The training covered basic laws, including the constitution and criminal codes, respect for human rights, sexual assaults, and child protection, along with providing technical guidance, such as riot suppression and arrest techniques. The comprehensive contents of these JICA programs have received high commendation from the government and the international community. On

this account, only those who have obtained a certificate from these programs are eligible to participate in training sessions provided by other donors.

Capacity-building of the national police ensuring domestic security makes contributions not only to peacebuilding in the country but also to peace and stability in the Great Lakes region and the whole of Africa as well.



JICA personnel checking the lecture textbook that was created in cooperation with the UN International Police (UNPOL). (Photo by Shinichi Kuno)



Jordan: a Senior volunteer specializing in art education teaching how to make a boomerang at a school run by the UN Relief and Works Agency for Palestine Refugees (UNRWA) at the Baqaa Refugee Camp. (Photo by Shinichi Kuno)

## Director General's Message



### Key Phrases: Assisting in Quick Response to International Affairs, Utilizing New Support Systems, and Taking Advantage of Japan's Technologies

Shinichi Yamanaka Director General Middle East and Europe Department

The Middle East and Europe Department covers about 30 countries from Central-Eastern Europe through the Middle East and North Africa. Stabilization of these regions, with their continuous political instability, is very important for Japan from the perspective of energy and trade route security. JICA will provide flexible support meeting characteristics and development needs that differ by region and country, under three key phrases: assisting in quick response to international affairs, utilizing new support systems, and taking advantage of Japan's technologies.

For support in quick response to international affairs, in cooperation with international development and financial institutions, JICA will provide emergency financial aid for economic reform to Ukraine, which has faced political and economic difficulties. In addition, assistance will be provided for the renovation of sewage plants in the capital, Kiev.

In North Africa, JICA is carrying out support activities with a view to correcting regional disparities and promoting youth employment, issues that triggered the Arab Spring unrest. As support for Syrian refugees, JICA provided assistance in the fields of health, education, and water to refugee camps and communities in neighboring countries that are receiving Syrian refugees. In addition to this effort, financial aid was also provided to neighboring Jordan.

With regard to utilizing new support systems, JICA is working on the subject primarily with the Palestinian Authority and the Gulf States.

In fiscal 2013, JICA established a trust fund jointly with the Palestinian Authority and the Islamic Development Bank. This effort contributed to developing a framework enabling Islamic countries in Asia to participate in assistance to the Palestinians. JICA will aim to expand

support in the field of energy utilizing this framework.

As for ODA-graduate countries in the Gulf region, the important task for fiscal 2014 is an early realization of Cost-Sharing Technical Cooperation, declared by Prime Minister Abe when he visited the Middle East in 2013.

Taking advantage of Japan's technologies, a subway system under the Bosphorus Strait opened in Turkey in 2013 financed by an ODA Loan. Not only does this subway system contribute to mitigating traffic congestion and air pollution; it also allowed Japan to demonstrate its advanced technologies. On this account, this is a project symbolizing Japan's cooperation with Turkey.

There is still large demand for infrastructure development in North Africa, including Egypt, as well as in Iraq and the Western Balkan region. JICA is considering support in the fields of transportation, energy, and water supply and sewerage, with a view to introducing Japan's technologies as well as providing business opportunities for Japanese enterprises.

In fiscal 2014, with a focus on these three key phrases, we will continue to expand our support, mobilizing all the strengths of JICA.

# Middle East

## Toward Peace and Stability through Inclusive Development that Reaches out to People Directly

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

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

Meanwhile, North African countries, as a part of the Middle East region, are in the position to lead the development of the African continent. Japanese support for their activities to provide assistance to Sub-Saharan Africa is expected to improve the capacity of North African countries themselves as well as to contribute to the TICAD Process.<sup>1</sup>

**Key Aid Strategies**

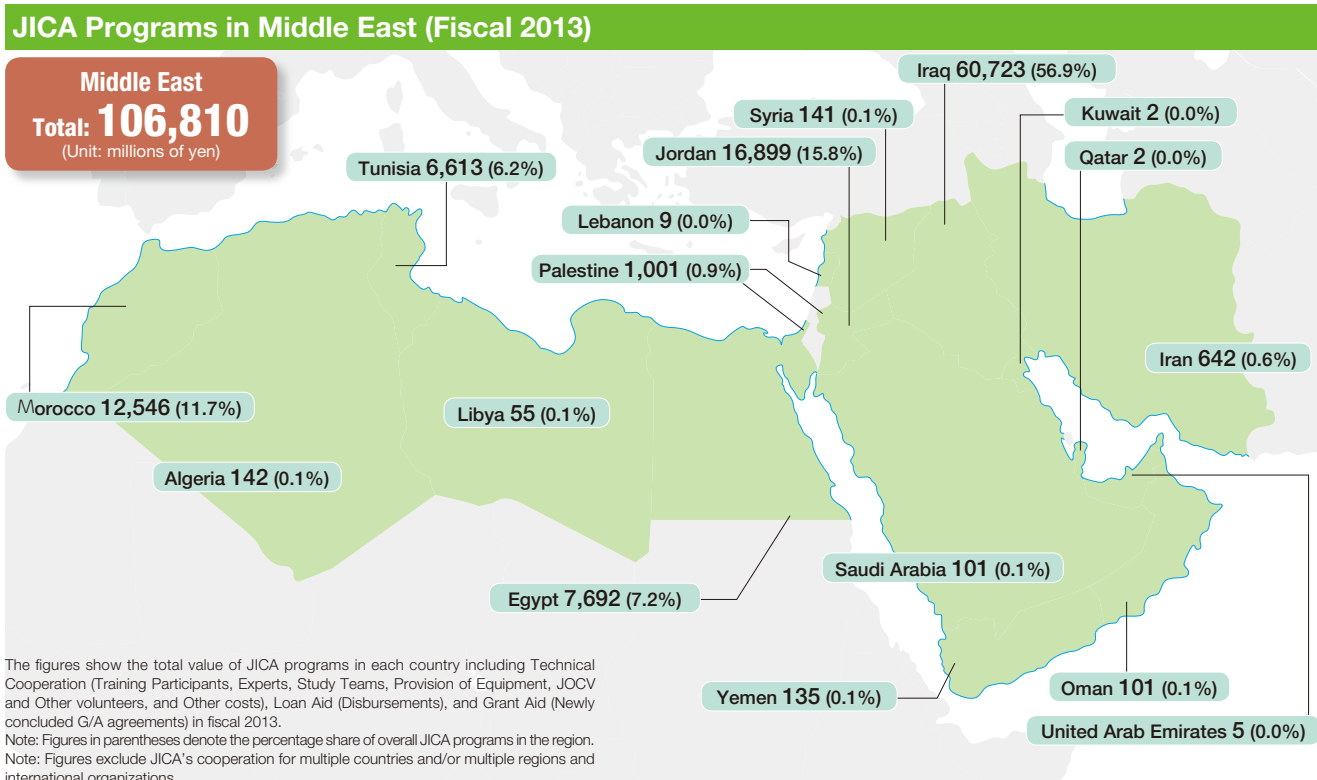
- Promoting stability in countries undergoing political changes
- Promoting human security and peacebuilding
- Supporting Japanese companies' advancement into overseas markets
- Contributing to meeting TICAD goals

### ● Promoting Stability in the Countries after Political Changes

Problems in city versus regional socioeconomic disparities as well as youth unemployment are part of the cause of political disturbances across the Middle East that began in 2011. JICA is providing support in the region, keeping in mind its Inclusive and Dynamic Development principles — in other words, vibrant development that benefits all people. The main focus of JICA's assistance is: (1) fair political processes and administration, (2) job creation and fostering industry, and (3) human resources development.

In Egypt, following the revolution of February 2011, JICA has provided support to establish the National Development Master Plan, which forms the basis for the country's nation-building policies. The three-year Technical Cooperation project was initiated in the summer of 2014 after efforts were temporarily suspended due to the political turmoil in July 2013. Additionally, in the field of job creation and fostering industry, experts in investment promotion will be dispatched to Morocco, and

1. TICAD, the Tokyo International Conference on African Development, is cosponsored by Japan and the United Nations. Since the first meeting in 1993, it has been held every five years and has been established as a process that represents Japan's ongoing commitment to support African countries.



requirements for private-sector development will be assessed to consider the implementation of Technical Cooperation utilizing Japan's expertise. JICA is also supporting human resources development in the area of science and technology through the establishment of the Egypt-Japan University of Science and Technology (E-JUST) and Borj Cedria Science and Technology Park in Tunisia.

Meanwhile, the political disturbances of 2011 have not been limited to Egypt and Tunisia and have led to civil wars and the collapse of political power in many countries.

In 2012, JICA has resumed Technical Cooperation after suspending assistance to Yemen and Libya due to decreased public order. To assist in new nation-building in Yemen, human resources development, including election management training, was conducted. Also for Libya, training courses conducted in Japan in economic and industrial development began in 2013 in addition to the Prosthetic Arm and Prosthetic Leg Management training program, which began in 2012 to support disabled victims of the civil war.

### ● Promoting Human Security and Peacebuilding

In Palestine, which holds the 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 construction of the future Palestinian state. Additionally, since 2011, Japan working as a mediator has been organizing the collaboration of Southeast Asian countries in a new initiative to apply lessons learned from the experiences of the growth of Asian countries toward the development of Palestine. As part of these efforts, in 2013, with the support of the Islamic Development Bank, a trust fund was established with the aim of further expanding support to Palestine. Participation in the support project by Southeast Asian countries has been made easier with the use of the trust fund, and therefore, qualitative and quantitative improvement of support in Palestine due to the increase in partnership is anticipated. In Syria, where civil war continues today, Japan provided support in health services, education, and water supply in host communities of neighboring Jordan and Turkey, where the influx of refugees continues. Additionally, in March 2014, ODA Loans were provided to assist in the macroeconomics of Jordan as part of refugee support [→ see the Case Study on page 70]. In Syria, operations to satisfy humanitarian demands, such as water supply, health care, and agricultural support, have been offered in collaboration with foreign aid agencies.

Ten years after the outbreak of the Iraq War, people are still forced to live under harsh conditions due to the lack

#### Case Study Tunisia: Project for Strengthening the Capacity for Tourism Promotion

### Boosting Tourism Development in the Southern Region

JICA is assisting in the development of tourism in two prefectures in southern Tunisia where, despite having appealing tourism resources, the number of foreign tourists is small compared to Mediterranean coastal areas.

Tourism is one of the key industries in Tunisia. Until the revolution of January 2011, nearly 7 million foreign tourists visited Tunisia each year. After the revolution, the number of tourists declined temporarily, but it has recovered to 90% of the pre-revolution figures as of 2013.

The project launched in 2012 with a particular focus on Tozeur and Kebili prefectures in southern Tunisia. Abundant tourism resources such as the Sahara Desert, North Africa's largest salt lake, and mountain oases are available in these areas, but tourism development is

delayed compared to Mediterranean coastal resorts, and the economic effects of tourism is also limited.

This project aims to improve marketing and promotion capability through the cooperation of tourism-related organizations, including government agencies. Additionally, the project aims to promote tourism development in these regions by providing support to attract Japanese tourists.

#### Learning the Spirit of "Omotenashi": Hospitality from Japan

In September 2013, officials were invited to Japan for a training program. Objectives of the program included providing information regarding the travel industry, presentations for travel agents in Japan, the spirit of "Omotenashi" hospitality or the importance of the "customer first" mentality. The participants were greatly impressed by the topics on preparing to receive Japanese tourists, the



Having firsthand experience of "omotenashi" at a Japanese restaurant.



The brochure cover is exactly an "Invitation to the Tunisian Blue."

presentation of tourism resources, and ideas to improve tourist satisfaction. Ideas and plans that would be implemented after they return to Tunisia were discussed even while they were traveling.

After they returned from Japan, learning materials of the training program was shared widely among tourism officials, and there was a great impact on the spread of project outcomes. Additionally, the Tunisian National Tourist Office launched a Japanese website<sup>1</sup> in April 2014, where downloadable brochures are available. I hope that you can visit Tunisia one day.

1. <http://gotunisia.jp/>

of electricity and clean water caused by the destruction of socioeconomic infrastructure. On the other hand, Iraq has one of the world's largest oil reserves, creating an enormous demand for infrastructure to keep up with its rapid 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) improving the quality of life, and (4) strengthening governance. In 2012, JICA began four ODA Loan projects and implemented training programs for human resources development in Japan, Jordan, and other neighboring countries.

In fiscal 2013, in addition to the signing of the ODA Loan agreement for the Port Sector Rehabilitation Project II, human resources development training programs were conducted in Japan and neighboring countries such as Jordan. Furthermore, in 2014, with the scheduled completion of the Port Sector Rehabilitation Project and Samawah Bridge and Road Construction Projects showing the tangible results of the support provided, further social and economic development is expected.

### ● 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 for Japan as a provider of oil. However, in comparison to Southeast Asia, where Japan has long historical ties and rich business experience, the Middle East has been a relatively difficult partner to deal with due to differences in culture and customs as well as its longstanding economic ties with Europe. To bridge the difference, 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 Egypt's underground railroad construction market, which was previously 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. At the same time, since private-sector development is one of the most important developmental issues in Iraq, JICA is considering providing support to improve the business environment in order to encourage Japanese and other private-sector companies to enter the market.

Meanwhile, Technical Cooperation to ODA-graduate Gulf nations has been expanded. In 2013, a demand survey in five Gulf nations was conducted, and preparation to receive training participants and dispatch experts in Cost-sharing Technical Cooperation (in which partnering governments bear the majority of expenses) has begun.

### ● Contribution to the TICAD Process

JICA is supporting the North African countries of Egypt, Tunisia, and Morocco in providing South-South cooperation to Sub-Saharan African countries in order to effectively utilize the human resources formerly trained by Japanese Technical Cooperation. A memorandum was signed in Morocco with the Moroccan Agency for International Cooperation (AMCI) to implement support for capacity development of the agency. In 2013, a total of 21 training courses intended for Africa were held in Egypt, Tunisia, and Morocco. Also in December 2013, an ODA Loan agreement with Morocco, for the Basic Education Sector Support Project, was signed. Contributions to achieving goals set at the Tokyo International Conference on African Development (TICAD) will continue by making improvements in the education sector with respect to quality, access, and governance.

#### Case Study

#### Palestine: Follow-up Cooperation for JICA Training Participants

### Solar Power Bringing Light to People

In response to the proposal to bring solar power generators to the West Bank by former training participants, JICA has arranged a follow-up cooperation project.

#### Capitalizing on Knowledge from Training Programs in Japan

JICA provides follow-up cooperation supporting the activities of former training program participants [→ see page 136]. Mr. Najjar Osama (pictured) is an ex-participant from Gaza. Support for his proposal to install solar power generators to power an ICU unit at a hospital is a part of the follow-up cooperation. This has made it possible to supplement partial power during a power failure.

The Palestinian Authority faces a number of complex issues, such as disputes with Israel and internal Palestinian political turmoil. Mr. Osama spent his childhood in a refugee camp in Gaza under the Palestinian Authority. At

the Palestinian Energy and Natural Resources Authority where he works, the introduction of renewable energy is being strongly considered.

Since Gaza relies on Israel for much of its electric power and power failures occur frequently as well, establishing its own energy supply is an urgent issue. In the Planning Support for Introduction of Solar Power Generation Training Program that he participated in, he learned that solar power would be an optimal generation method to provide power supply in case of power outage in Gaza, with its abundance of daylight. "[From a political standpoint] my position is often misunderstood. But I studied technology and systems of solar power in Japan and also



Mr. Osama striving to implement solar power.

learned the principle of not giving up." After his return from Japan, he has shared details of his training with his coworkers and is striving to implement the solar power system.

JICA will continue to support his efforts in improving peoples' life in Gaza.

# Europe

## Aiming for a Higher Standard and More Stable Regional and Economic Development

Many European countries belong to the European Union (EU) and most non-member countries are working on economic and social development with a view to becoming members in the future. JICA focuses on three sectors where Japan has comparative advantages, namely: (1) environmental protection, (2) peace consolidation, and (3) industrial development. In the course of cooperation, consideration is given to the close relationship with the EU and eventual graduation from ODA, as well as to assistance for stabilizing the countries in the Western Balkans that have experienced ethnic conflicts.

**Key Aid Strategies** Environmental Protection, Peace Consolidation, and Industrial Development

### ● Environmental Protection

Countries wishing to join the EU need to establish environmental standards in line with those of the EU. For example, they will have to comply with restrictions on exhaust gases and utilize renewable energy. Assistance provided by JICA also focuses on achieving these requirements.

The Flue Gas Desulphurization Construction Project for the Nikola Tesla Thermal Power Plant is an ODA Loan project for Serbia. Through installing equipment that will reduce sulfur dioxide (SO<sub>2</sub>) and dust emissions from power plants, the project aims to improve the environment and enable the country to meet EU environmental standards.

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 technical cooperation for waste management in

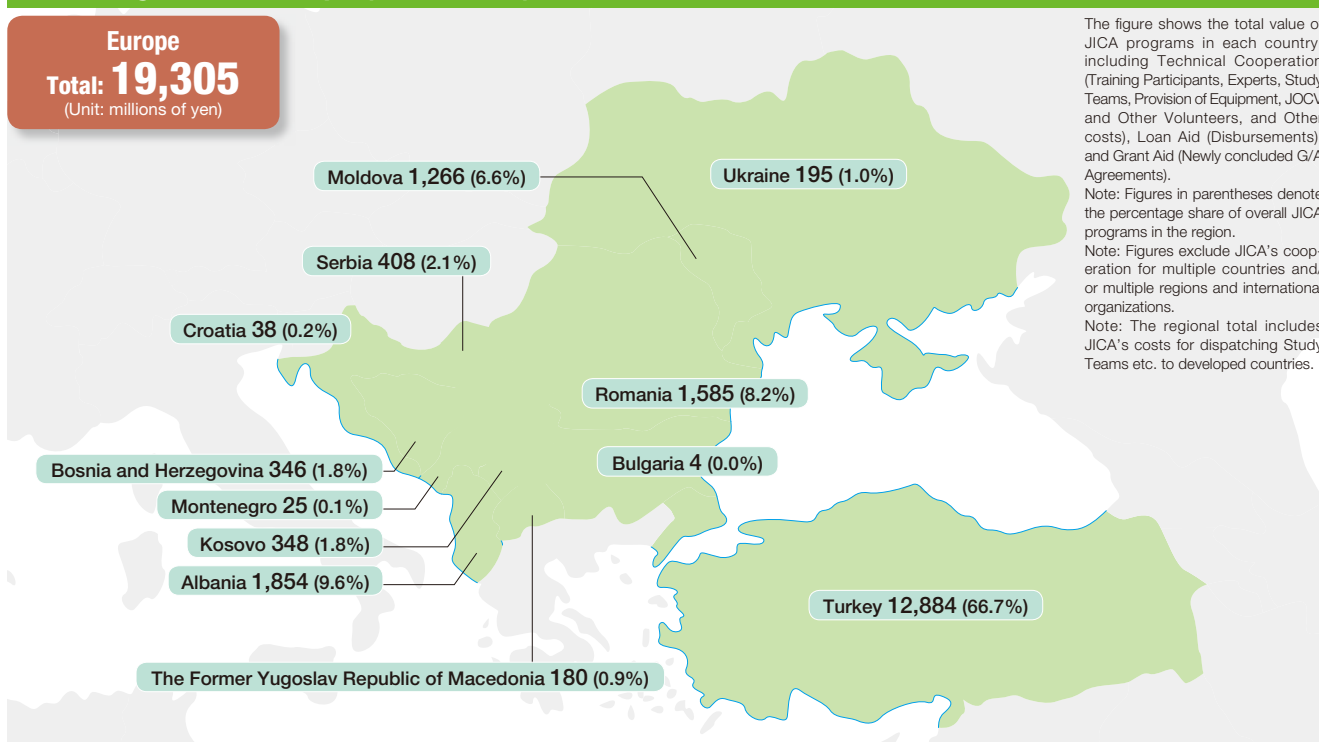
Kosovo and Albania and forest preservation in Macedonia. Overall, environmental protection is a major element of JICA's activities in Europe.

### ● Peace Consolidation

Countries in the Western Balkans have now recovered from the ethnic conflicts and civil wars of the 1990s. However, these countries still face many challenges, which 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.

JICA has been providing Bosnia and Herzegovina with assistance for facilitating ethnic collaboration and social stabilization. In the technical cooperation, Project for Informatics Curricula Modernization Phase 2, a multiethnic curriculum for informatics education is introduced to high schools throughout

## JICA Programs in Europe (Fiscal 2013)



the country. By establishing an environment where students from different ethnic groups study together and interact with each other, this project is making steady progress with fostering bonds based on trust [ → see the Case Study on page 75].

### ● Industrial Development

The Western Balkans as well as Moldova and Ukraine are emerging as an export hub to EU countries. In particular, the Western Balkans are a huge market with the region's relatively high per capita gross national income (GNI) and population of more than 50 million. Furthermore, there are no tariffs within the region because of the Central European Free Trade Agreement (CEFTA). In consideration of such circumstances, JICA supports economic revitalization by promoting tourism and SMEs. The Project on Establishment and Promotion of Mentoring Service for Small and Medium Enterprises in the Western Balkans, a technical cooperation project, aims at improving the service of SME assistance organizations in Serbia, Bosnia and Herzegovina, and Montenegro. JICA also provides support for enhancing domestic and export industries in Moldova and Ukraine through accepting training participants.

### Turkey — Strengthening Relationship as a Global Partner

Turkey has been playing a key role as a bridge from Asia and the Middle East to Europe. In recent years, the country's economy has shown remarkable growth. Because of the balanced

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

Specifically, JICA focuses on improving the business and investment environments to support the sustainable economic development of Turkey, as well as promoting projects strengthening disaster prevention and management capability that can minimize the risk impeding such development. Especially in the field of disaster prevention, JICA facilitates three technical cooperation fields: disaster risk management, disaster mitigation of earthquakes and tsunamis, and disaster prevention education. Furthermore, JICA also started a training course in 2013 for capacity development of Turkey's first disaster training center, established in Bursa.

In 2013, for further strengthening the development partnership, JICA and the Turkish Cooperation and Coordination Agency (TIKA) jointly initiated technical cooperation for Afghanistan and other countries in Central Asia for transferring livestock breeding techniques.

In October 2013, as the most symbolic cooperation between Japan and Turkey, the undersea subway system under the Bosphorus Strait finally opened. This project had received ODA Loans from Japan since 1999. The partnership is expected to grow even further in the future [ → see the Case Study below].

#### Case Study Turkey: Bosphorus Rail Tube Crossing Project

### Undersea Subway Connecting below the Strait in Istanbul, the Heart of Turkey

In addition to bridges and ferries, an undersea subway financed by Japanese ODA Loans opened in October 2013 under the Bosphorus Strait, which splits Istanbul between Europe and Asia. Traffic congestion is expected to improve as the number of users grows.

#### Introducing Japan's Latest Technology

In Istanbul, with a population of 13 million, a recent increase in the number of cars has resulted in traffic congestion crossing the Bosphorus Strait connecting Europe and Asia. Traffic on the two bridges across the strait has been heavier than their standard design volumes. Air pollution caused by automobile emissions is also critical.

However, the opening of the undersea subway greatly reduces the travel time across the strait to 4 minutes, compared to the ferry, which takes 30 minutes. The subway is expected to become a means of transportation for 1.5 million local people a day.

This project is the world's deepest immersed tube tunnel,<sup>1</sup> adopting Japan's latest technologies, such as earthquake-resistant design and minimization of strait pollution during construction.

Prime Minister Abe and then Prime Minister Erdoğan confabulate after a ribbon-cutting at the opening ceremony.



Newly operating trains

In October 2013, the opening ceremony was held for the 90th year anniversary of the country's establishment. Japan's Prime Minister Abe attended the ceremony to celebrate this historic project, and with Turkey's then Prime Minister Erdoğan, reaffirmed the strong partnership between the countries.

The friendship between Japan and Turkey

since the 19th century has become even stronger in recent years. Japan is increasingly expected to provide development cooperation using Japan's technology, such as in disaster prevention.

1. A method of constructing undersea tunnels by sinking and connecting blocks built in advance on the shore.

# Millennium Development Goals

## Development Issues that the International Community Should Tackle Jointly

### Global Progress toward Achieving the MDGs

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

Since the establishment of the MDGs, many countries have achieved remarkable progress in reduction of poverty and satisfaction of basic needs. However, achievement levels differ according to goal, country, and region. Delays in progress toward MDG targets are especially prominent in conflict-afflicted or vulnerable countries, mainly in Sub-Saharan Africa. The goals that are expected to be achieved globally include: halving the population ratio of impoverished people; eliminating gender disparity in primary and secondary education (gender equality); and increasing access to safe drinking water. Goals that seem to be difficult to achieve are: halving the proportion of people who suffer from hunger; achieving universal primary education; and reducing the maternal mortality ratio.

### JICA's Contribution toward Achieving the MDGs

In a world of globalization and interdependence, it is becoming important to provide assistance that focuses on human security and the stability of each individual, but not only on a bilateral

basis. With the goal of realizing human security, JICA is contributing to achieving the MDGs in an effort to attain dynamic development that benefits all people.

#### ● Support for the Poor and Reduction of Disparities

It is estimated that the population living in extreme poverty in developing countries will be 1.6 billion people by 2015, and these people are concentrated mainly in Sub-Saharan Africa and South Asia. Since most of these people live in rural areas and also depend on agriculture for their livelihood, it is especially important to focus on the development of rural areas.

In an effort to advance inclusive assistance for the poor, since 2010 JICA has studied methods of cultivating fruits and vegetables suitable for high-altitude regions, and has provided technical guidance for farmers in six eastern districts of Bhutan that have particularly high poverty rates. As a result of these efforts, not only are farmers able to earn hard cash through cooperative shipping and sales, young people are also returning from urban areas to inherit the management of family farms. In seven divisions in Myanmar, JICA is engaged in improving the lives of local people and reducing poverty by establishing and renovating high-priority infrastructure, such as roads, electric grids, and the water supply. In Ethiopia, because of extensive damage that resulted from ongoing drought conditions, JICA initiated a weather-damage insurance system in 2012. Through this insurance system, payments are made to insured farmers when rainfall drops below a certain level. This system is intended to enhance farmers' resilience against the risks of irregular or aberrant weather conditions.

#### ● Eliminating the Gender Gap in Primary and Secondary Education

With regard to promoting gender equality, JICA has contributed to eliminating the gender gap in the educational field. In South Asia, for example, the literacy rates for adult women are quite low, so

Goal/Target	Africa		Asia				Oceania	Latin America/ Caribbean	Central Asia/ Caucasus
	North	Sub-Saharan	East	Southeast	South	West			
<b>Goal 1: Eradicate extreme poverty and hunger</b>									
Halving of extreme poverty									
Halving of extreme hunger									
<b>Goal 2: Achieve universal primary education</b>									
Complete dissemination of primary education									
<b>Goal 3: Promote gender equality and empower women</b>									
Enrollment rate of girls in primary education									
<b>Goal 4: Reduce child mortality</b>									
Death rates for children under age five: 2/3									
<b>Goal 5: Improve maternal health</b>									
Maternal mortality: 3/4									
<b>Goal 6: Combat HIV/AIDS, malaria and other diseases</b>									
Prevention of the spread of HIV/AIDS									
<b>Goal 7: Ensure environmental sustainability</b>									
Halving the population without access to safe water									
Halving the population without access to sanitary facilities									

■ Goals expected to be achieved by 2015   
 ■ Difficult to achieve by 2015 as things stand now   
 ■ No progress/worsening   
 ■ Insufficient data

Source: United Nations Development Programme (UNDP), The Millennium Development Goals Report 2013



## The Eight MDGs

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

**Eradicate extreme poverty and hunger****Promote gender equality and empower women****Improve maternal health****Ensure environmental sustainability****Achieve universal primary education****Reduce child mortality****Combat HIV/AIDS, malaria and other diseases****Develop a global partnership for development**

it is important to broaden their learning opportunities via literacy education programs mainly targeting women. In Pakistan, JICA has assisted in improving literacy education administration through non-formal education support. In addition, to address the dropout issue for female primary and secondary school students, JICA is developing practical curricula that can be seen as useful for daily life.

### ● Achieving Universal Primary Education

JICA has also been working on improving the quality of education in Bangladesh, because that country has faced significant obstacles in achieving the goal of universal primary education. In cooperation with nine other aid institutions, JICA has provided financial support for the Third Primary Education Development Program, established by the Bangladesh government. Since 2004, JICA has also been providing assistance for enhancement of primary science and mathematics education; this effort has yielded promising results. The completion rate at target schools under this program exceeds the national average.

### ● Promoting Gender Equality and Empowering Women

The improvement of maternal and child health and welfare over the past 15 years has been limited and insufficient for poor people around the world. In order to reduce maternal and perinatal death in Burundi, JICA reexamined and revamped training programs for health professionals, and also strengthened the verification of maternal death cases. In 2013, JICA focused on the improvement of services primarily for obstetric neonatal care. In the Philippines, which stands out as a poorly performing country in a regional index for maternal and child health, JICA worked on enhancing maternal and child health services in two provinces. This effort resulted in a significant improvement in maternal health and welfare, and has been accompanied by a significant rise in the number of babies delivered by doctors or midwives. In light of these favorable outcomes, JICA is now providing support to expand this approach to other provinces. In addition to these forms of support, JICA will aim to realize universal health coverage under the concept that all people should have access to timely and reasonably priced health care services, including health promotion, as well as disease prevention, treatment, and rehabilitation.

### ● Access to Safe Water and Sanitation

As for the improvement of access to safe water, the goal was achieved across the world in 2010. However, most Sub-Saharan African countries are still having difficulty achieving this goal. Specifically, access to basic sanitary facilities is one of the goals that lags the most. In three regions in Senegal with limited access to sanitation, JICA provided assistance not only to teachers and enlightenment officers involved in health education, but also to workers whom JICA trained in the development and construction of model toilets. Along with population concentration in urban areas, there have been some issues regarding water supply in Asian countries where the goal has been already achieved. For

example, JICA assisted in the introduction of a remote monitoring control apparatus to the urban area of Cebu in the Philippines, for accurate understanding of water supply conditions. JICA, in collaboration with Yokohama City, is planning to provide operational training on the use of this monitoring apparatus.

## Contribution to the Post-2015 Development Agenda

The deadline for reaching the MDGs is less than one year away. Thus, the international community is currently holding extensive discussions about a post-2015 development framework, called the Post-2015 Development Agenda. It is clear at this point that ongoing efforts will be necessary to deal with targets not achieved under the current MDGs. In particular, in terms of emphasizing the people left behind by the MDGs, an inclusive view on internal disparities will become increasingly important.

Moreover, since countries that achieved remarkable economic growth have concomitantly high MDG achievement rates, it has been reaffirmed that economic growth has a significant impact on poverty reduction. On the other hand, some global issues are becoming major risks that can disturb the smooth achievement of the MDG targets. These issues include natural disasters, rising food costs, financial crises, and infectious diseases. For this reason, it is important to incorporate an approach to managing such significant risks into development plans for the future. At the same time, the establishment of resilience should also be emphasized because the ability to cope with such potential risks will be critical to the formation of a successful new development framework. An approach to risk management is particularly important with regard to disaster preparedness and prevention, as this can serve as a key component of disaster recovery and community resilience planning. In fact, this sort of risk-management approach is gaining worldwide attention as a style of cooperation that utilizes Japan's cumulative knowledge and experience in the field of disaster preparedness and recovery.

Populations that keep growing bring about an increase in demand for food and resources, while at the same time greenhouse gas and waste resulting from economic activities of ever-larger populations have created significant concern about a heavy burden on the natural environment. Even though environmental sustainability is included in the MDGs, this issue is becoming more significant now as we seek to look beyond the MDGs.

The Post-2015 Development Agenda is expected to promote efforts to resolve or ameliorate issues that have not been resolved under the MDGs, and also to set universal goals and targets for new and emerging issues. With the aim of realizing human security, JICA will continue contributing to the establishment of a new development framework by building on and extrapolating from its past support, which has focused on inclusive and resilient development perspectives.



Philippines: a container terminal on Mindanao Island constructed with Japanese support contributes to logistics vitalization of the surrounding areas by increasing cargo volume.

## Director General's Message

## Aiming at Sustainable Growth, Building Resilience, and Inclusive Development



Akira Nakamura Director General Infrastructure and Peacebuilding Department

**In addition to urban and regional development, traffic and transportation, and public infrastructure development in information and communications technology, which form the foundation of every country, JICA's Infrastructure and Peacebuilding Department is also widely involved in cross-cutting issues such as peacebuilding, gender equality, and poverty reduction. Aiming at sustainable growth, building resilience, and inclusive development — development in which everyone benefits — the department is strengthening its comprehensive and strategic approaches.**

To contribute to sustainable growth of each country and region, JICA cooperates in the fields that form a foundation for growth, such as urban and regional development, traffic and transportation, and information and communications.

Developing regional-based and cross-country infrastructure is becoming more important than ever in the globalizing world, just as the Fifth Tokyo International Conference on African Development (TICAD V) touched on the significance of regional infrastructure development. JICA conducted a study for Nacala Corridor Economic Development Strategies in Mozambique in 2013, for the purpose of assisting economic development in Southern Africa. In West Africa, a corridor development initiative has commenced to enhance the regional transportation network of the Economic Community Of West African States (ECOWAS). Not limited to activities in Africa, JICA always focuses on a comprehensive support in line with the Japanese government's Infrastructure Systems Export Strategy, considering activities from master plan formation to operation and maintenance as one process, and also incorporating development of human resources and necessary systems.

In Myanmar, JICA engaged in forming a project for the Urban Development Programme in the Greater Yangon through partnerships with private-sector companies, the result of which was presented in a seminar held for wide

sharing of the experience among parties, including private corporations.

In the transportation field, JICA has supported establishment of a national transportation master plan for Viet Nam. JICA is also working to maximize the results of this initiative by providing a combination of ODA Loan for construction of a passenger terminal building and Technical Cooperation for airport operation for Noi Bai International Airport.

For the disaster caused by Typhoon Haiyan in the Philippines, JICA has provided support under the slogan "Build Back Better" by dispatching a team of reconstruction specialists from the emergency aid stage, in order to provide seamless assistance for reconstruction.

Peacebuilding initiatives are as important as support for sustainable growth. In 2013, the Comprehensive Agreement on the Bangsamoro was signed in Mindanao in the Philippines. JICA has been supporting the peacebuilding process since 2002, and continues to contribute to the smooth consolidation of peacebuilding by the new political entity or new autonomous government by making use of JICA's network and experience. For cross-cutting issues of gender equality and poverty reduction, JICA ensures that these concerns are incorporated whenever applicable in its projects, by systematizing opinions of the world community and knowledge obtained through JICA's past activities.

# Gender and Development

## Clarifying Gender Responsive 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, women are far more likely to be placed in socially, politically, and economically disadvantaged positions compared to men. As such, the UN Millennium Development Goals has outlined gender equality and the empowerment of women as an important goal.**

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

### ● Overview of the Issue

Gender mainstreaming aims to achieve “gender equality and women’s empowerment”<sup>1</sup> in all fields of society.

In societies where gender inequality exists, there is the possibility of having a different effect on men and women in seemingly “neutral” development policies, measures, or projects. Therefore, it is necessary to incorporate the view of gender equality into each of the stages of planning, implementation, monitoring, and evaluation of all development policies, programs and projects, in consideration of the issues and needs resulting from the difference in the societal roles of men and women and their power relationship. This process is called “gender mainstreaming,” aimed to achieve the empowerment of women in the community and gender equality.

Generally, the fixed roles and responsibilities of men and women in a society tend to be subconsciously specified according to the sense of value, culture, tradition, and custom of the people in the region. That is to say, various kinds of policies, systems and organizations are also subject to the subconscious determination. In addition, regardless of whether it is in advanced or developing countries, the conventional wisdom and social system in the modern world are likely to be formed based on a male perspective. Thus, the philosophy of gender that has been shaped in a male-dominated society and culture features the unequal power contained in gender relationships. In light of the gaps and power relationships among men and women, it is essential to support national machinery, such as national agencies, mechanisms, and organizations striving for gender equality, including the Ministry of Women’s Affairs, to ensure that the policies and systems in partner countries adopt a gender responsive perspective.

In most cases, however, statistics, data, and indices are not tabulated according to gender. This problem also poses an obstacle to understanding the differences in the social status of men and women and the issues and needs related to the difference. If a philosophy of gender is introduced to the policy-making process or institution-building without fully comprehending the society in a target region, it may in fact produce negative results for women, such as exacerbating gender disparity. Therefore, it is critical to collect and comprehensively

analyze fundamental data needed for plans and projects by region, gender, age, ethnicity, and religious affiliation, and to develop human resources that have this perspective and can reflect the results in policies and systems.

It is important to promote women’s empowerment as part of efforts to advance gender mainstreaming. At the same time, it is also essential to make efforts to change the consciousness and actions of men, decision makers and those who have social influence in the community (e.g., administrative officials, educators, politicians, and religious leaders).

### ● JICA Activities

For many years, JICA has developed a basic strategy for implementing gender-responsive assistance projects and has made clear the issues to put priority on. JICA has also established an organizational framework for gender mainstreaming.

Actual assistance includes creating policies and systems and strengthening organizational capacity for promoting gender equality in Cambodia, Nigeria [→ see the Case Study on page 54], and Nepal. 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 in various fields to ensure that the perspective of gender is reflected in the results and actions that should be achieved through projects.

Under the Smallholder Horticulture Empowerment Project (SHEP) in Kenya, JICA focused on the role that women play in agricultural activities. The project secured equal participation from both men and women in all types of farming activities, and it conducts educational activities for men and women about gender-related issues. As a result, their marital relationships were encouraged to shift from a management-labor relationship to a relationship of equal business partners. On this account, this project demonstrated its contribution to the achievement

1. According to the “DAC Guidelines for Gender Equality and Women’s Empowerment in Development Cooperation” 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.”

of improving farm incomes. For projects in areas affected by conflicts in Afghanistan, Mindanao, and Sudan, JICA is actively engaged in improving women's livelihoods by conducting preferential hiring of women who have lost their husbands in battle and providing women with vocational trainings.

In recent years, there has been increasing recognition of the need to address gender-based violence, including human trafficking as a new issue in gender and development. Human trafficking is 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. In 2009, JICA started a project in Thailand to strengthen the capacity of organizations and staff to combat human trafficking. JICA also launched two new projects in Myanmar and Viet Nam in 2012 to reinforce regional measures to combat human trafficking in the Mekong region, based on the experience in Thailand.

**Case Study**

**Nicaragua: Project for Enhancing Integrated Service Delivery for Social Risk Prevention and Attention for Families and Communities**

## Protecting Women and Young People from Social Risks

**Nicaragua has growing social problems faced by women and young people, such as sexual assault, abuse, and child labor. JICA is assisting in strengthening the administrative capabilities of the country to prevent these social risks.**



Smiling girls at a community facility run by the Ministry of Family.

### Administrative Services from the Viewpoint of Gender and Women's Human Rights

Since the number of crimes has tended to increase in recent years in Nicaragua, deterioration of public security has become a social problem. In addition to this, Nicaragua also has growing social risks, such as domestic violence, sexual abuse, drug addiction, and child labor, which severely threaten the livelihoods of the people.

Many of the victims of these issues are women and children, who are especially vulnerable to various social risks. Some

research shows that about 30% of Nicaraguan women have experience with physical or sexual violence. As for sexual violence, over 80% of the victims were abused by people close to them, such as family members, relatives, or neighbors; and, 80% are girls under age 18. This research indicates that home, which should be the safest place for people, can be the most dangerous place for women and girls in Nicaragua.

In these circumstances, the Ministry of Family, Adolescents, and Children (hereinafter called the Ministry of Family), responsible for the protection of children and young

people and the provision of welfare services, is aiming to provide effective administrative services to the people in cooperation with relevant governmental agencies, society, and community human resources.

For example, in cases that abuse or neglect is considered to violate the human rights and dignity of children and young people, it is important not only to protect them in a quick and appropriate manner, but also to provide their families with training programs and counseling for improving their familial relationship. As well as preventive measures, including educational activities for risk avoidance, JICA is also promoting activities that encourage people to realize potential social risks lurking in the community, such as drug, child abuse, and violence against women.

In terms of human security and inclusive development, JICA is assisting in strengthening administrative capabilities in order for the Ministry of Family to provide administrative services from the viewpoint of gender and women's human rights, considering the social risks for girl and women as well as needs that can hardly be visualized.

It is important not only to protect girls and women who are victims of sexual abuse from secondary damage, such as sexist treatment in the process of administrative counseling, but also to ensure they receive the necessary support. To do so, JICA is providing training programs to administrative officers of the branch offices of the Ministry of Family, who are responsible for handling consultations with people. In addition to this, JICA is also working on activities to strengthen the partnership with other administrative agencies, as well as improving human rights consciousness among people.

# Poverty Reduction

## Supporting the Development of the 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 47% in 1990 to 20.6% in 2010 due in part to economic development in Asia. Nonetheless, nearly half of the population in Sub-Saharan Africa still suffers from 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 has identified "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 the 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 \$1.25 per person per day, is estimated at about 1.2 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, it is not easy to escape from this cycle. This is sometimes referred to as the "deprivation trap," and it has become an urgent issue in tackling poverty reduction. Neglecting poverty and vulnerability may widen the gap between rich and poor and intensify competition over resources, causing

instability in society.

In recent years, the notion has developed that poverty is the state in which the following five capabilities are severely lacking: the ability to ensure a stable and sustainable livelihood, or (1) economic capability; the ability to be healthy, receive basic education, and live in a sanitary environment, or (2) human capability; the ability to cope with various "threats" to peoples' lives, or (3) protective capability; and the ability to participate in a society in which people's dignity as human beings and their culture and customs are respected, or (4) political capability; and (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



Survey on the livelihoods of households receiving conditional cash transfers in Honduras

poverty to escape by reinforcing these 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 creative approaches into projects in order to improve the circumstances of the poor by ensuring the project’s benefits to the poor in various fields of projects. 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 is implementing projects and training programs. The goal is to enable the poor, who are living on unstable incomes, to make stable expenditures every month for items such as health care, education, and food. These approaches cover methods 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 **Survey on Microfinance Component Projects**

## For Effective Incorporation of Microfinance into Technical Cooperation

**Among JICA’s microfinance-related Technical Cooperation projects, cases that incorporate microfinance into their activities — those with microfinance components — account for the largest number of projects overall. JICA conducted a field survey in order to enhance the effectiveness of microfinance components.**

### Microfinance Components

JICA is working on microfinance through technical and financial assistance in order to contribute to poverty reduction by improving access to finances. One of these efforts is the microfinance component.

In many examples of livelihood improvement projects or agricultural production projects in rural areas and urban slums, revolving funding in which beneficiaries participate has been adopted as a method to achieve the goal of the projects. This funding system is intended to lend and collect funds within a beneficiary

group by utilizing some earnings of projects or contributions and savings of beneficiaries as financial resources. These activities are part of “mutual aid activities” that can often be found in traditional communities, and are also regarded as a significant first step for the poor, including the poorest, to access financial services in order to stabilize and improve their livelihood and incomes.

The introduction of such microfinance has been provided by the government in developing countries or by donors. However, only a limited number of examples have produced concrete

results, and low sustainability and repayment rates have been also pointed out as issues. On the other hand, the importance of microfinance and access to formal financial services has been reaffirmed in recent trends in international development. In these circumstances, there is a growing need for the effective utilization of microfinance in Technical Cooperation projects.

### Sorting Out the Lessons Learned

In response to this, JICA conducted a project survey in order to ascertain the current situation, effects, and issues of microfinance components, and to incorporate microfinance activities into other projects more effectively. The survey selected seven Technical Cooperation projects in Asia and Africa, which include projects related to agricultural development, conservation of the natural environment, reconstruction, and community development.

The survey shows that receiving loans enables the beneficiaries to diversify and expand income sources by making investments in business; additionally, on the other hand, saving allows the beneficiaries to cope with unstable earnings or sudden expenditures. In this survey, it was affirmed that microfinance activities successfully boosted the achievement of the goals of Technical Cooperation projects, such as improvement of farmer’s livelihoods, promotion of forest preservation, and reconstruction of communities.

On the other hand, some issues have also been revealed from the viewpoint of sustainability and financial management systems. Consequently, the survey revealed some lessons learned, including the necessity of collaborating with existing microfinance institutions and the importance of savings prior to loans. Utilizing these lessons learned, JICA will implement more effective microfinance components.



A ledger used in microfinance activities by a beneficiary group in Ghana.

# Peacebuilding

## Peacebuilding Support for Preventing Relapse 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 — which are one cause of conflict — and provide equal opportunities, as well as to restore state systems and functions and enhance security.

### ● Overview of the Issue

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

Aid for peacebuilding requires a comprehensive approach that combines three frameworks: military, political and social/

### Case Study Philippines: The Comprehensive Peace Agreement for Mindanao — Support for Establishing of New Autonomous Government

#### For Strengthening Administrative Capabilities and Stable Regional Development

The 40-year-long Mindanao Conflict finally came to an end in March 2014 with a comprehensive peace agreement. Based on its previous support experiences since 2002, JICA is supporting the establishment of a new autonomous government.

#### Letting the People Feel the Benefit of Peace

On March 27, 2014, the Comprehensive Agreement on the Bangsamoro was signed by representatives from the peace negotiation groups of the Philippine government and the Moro Islamic Liberation Front (MILF) in the presence of Philippine President Aquino and MILF Chairman Murad. This comprehensive peace agreement for Mindanao stipulates the establishment of a new Bangsamoro government in 2016 and the basic framework for the administrative body.

Since 2002, the Japanese government has actively contributed to the process of peace negotiation. Along with the government, JICA has been also working on supporting the areas affected by the Mindanao conflict by dispatching its staff members to the Socio-Economic Development Component of the International Monitoring Team in Mindanao. Focusing on post-conflict restoration of peace, other support includes development of human resources who will promote development, the



Signing ceremony for the Comprehensive Agreement on the Bangsamoro held in Malacanang Palace.

development of communities, and provision of opportunities to exchange opinions among people related to the peace agreement.

Following the conclusion of the agreement, a transfer process will start for the establishment of a new autonomous government. Utilizing previous experiences and networks, JICA will assist in improving people's incomes and also achieving mid- to long-term regional development. This support will be carried out considering the concept of the new Bangsamoro government with local people in order to achieve development of the Bangsamoro region

and the stabilization of the people's livelihoods.

In the ongoing Comprehensive Capacity Development Project for Bangsamoro, JICA is providing support for the establishment of a new government. Support includes development of human resources that will play a central role for the government, building the administrative system, and establishing regional development plans. Aiming at a smooth shift from existing administrative services to the new government, JICA will accelerate its support in order for the people in Mindanao to feel the benefit of the peace agreement.

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.

### ● JICA Activities

JICA is working to contribute to the promotion of peace and prevention of both the occurrence and recurrence of armed conflicts. JICA has assisted in attempts to alleviate 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, at the stage immediately after a conflict, JICA has been concentrating on providing assistance for quick reconstruction of administrative services to realize societies

where people feel the benefit of peace i.e. a peace dividend. This effort is intended to quickly recovering basic administrative functions such as education and health care that have been disrupted during a conflict and respond to people's expectations that have grown due to conclusion of a peace agreement and restore the public's confidence in the government.

For areas with incomplete administrative systems, flexible approaches are taken, including direct support for communities. JICA has steadily built up solid track records in Uganda, Cote d'Ivoire and Sudan.

Knowledge and experience obtained in these projects are not only presented at international and domestic academic conferences, but shared among other aid organizations through opportunities to exchange opinions in workshops. By doing so, JICA is aiming at more effective project implementations. Moreover, JICA will also intensify its support in the field of peacebuilding through efforts such as human resources development to supply experts who can become involved in the process.

#### Case Study **Jordan: Support for Syrian Refugees and Host Communities**

### Comprehensive Support for the People Receiving Refugees

**Due to the Syrian Civil War, ongoing since 2011, Jordan has an influx of many Syrian refugees. JICA is using various assistance schemes to support the Jordanian government and the people that are receiving Syrian refugees, who account for 10% of Jordan's total population.**

Jordan has a population of about 6.3 million people in 2012. According to the United Nations High Commissioner for Refugees (UNHCR), Jordan has about 590,000 Syrian refugees as of April 2014, and if Syrian people who have not applied for refugee status are included, the actual number of Syrian refugees is estimated to be well over a million people.

#### ODA Loans Aimed for Macroeconomic Stability also Provided

Over 80% of the Syrian refugees live in ordinary communities with Jordanian people.



JICA expert checking the condition of a water distribution pipe in the situation analysis on water and sewerage services in host communities.

Due to the rapidly increased number of refugees, the livelihoods of Jordanians who live with vulnerable social infrastructure is growing increasingly severe. It is also said that the tension between Syrian refugees and Jordanians has been high due to deterioration of the water supply and an increase in illegal waste dumping. Therefore, the country faces an urgent need to provide support for various communities, called host communities, that are receiving Syrian refugees.

To cope with the situation, JICA has been providing direct support for the refugees, including provision of emergency aid supplies and dispatch of Japan Overseas Cooperation Volunteers to refugee camps. In addition, JICA is also engaged in minimizing the impacts of the conflict by providing multilevel and comprehensive support for Jordan.

In 2012, JICA provided an ODA Loan of around ¥12.2 billion to the country for the purpose of supporting the improvement of vocational training, higher education, and health care services, in deprived areas in Jordan. Furthermore, in 2013, JICA also provided the



Children at a refugee camp.

country with a ODA Loan of about ¥12 billion in order to support the Jordanian government, which has faced a severe fiscal situation due to the mass influx of Syrian refugees.

For the northern part of Jordan, where many Syrian refugees live, with a deteriorating water supply, JICA has provided Grant Aid of about ¥2.5 billion to support the development of infrastructure. Moreover, JICA has also conducted projects that directly benefit the people by providing technical support, including development planning for water and sewerage.



# Urban and Regional Development / Transportation / Information and Communication Technology (ICT)

## Infrastructure That Fulfills People's Hopes



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

Infrastructure contributes to the sustained improvement in quality of life by supporting the economic growth of a country or region and redistributing wealth. In today's era of globalization, developing countries must also become part of the global infrastructure network through measures like building more highways, ports, and airports and developing information and communication networks. They need to build even more expansive infrastructure due to urbanization, modernization, industrialization, and other forms of progress. The result is 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 infrastructure, 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 infrastructure systems.

## Urban and Regional Development

### ● Overview of the 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 indispensable to a country's economic development. However, large number of cities in developing countries cannot provide enough housing, infrastructure and employment institutions to receive the large inflows of people 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 also experienced urbanization at an unprecedented pace that caused a variety of urban problems. To solve these problems, Japan constructed infrastructure and developed housing while establishing the standards required for urban development. Japan also focused on the development of new technologies in order to reduce pollutions and boost productivity. In addition, Japan quickly began taking action for disaster management 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.



Holding a public meeting in the process of formulating a master plan for sustainable urban development (Kenya)

1. Establishing basic infrastructure contributing to economic activities
2. Establishing quality housing
3. Establishing low-carbon urban areas
4. Establishing urban areas with disaster resilience
5. Establishing sound city management systems
6. Achieving 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. With the vision of inclusive and dynamic urban development, JICA provides support 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 and operation and maintenance of the completed facilities. To execute these processes in a self-reliant manner, the capacities of the organizations and people involved in implementing urban and regional development plans must be increased, the necessary legal systems must be improved, and other measures must be taken.

Through technical cooperation, financial cooperation, training programs in Japan and other activities, JICA approaches comprehensive assistance for urban and regional development.

## Transportation

### ● Overview of the Issue

In developing countries, the poor state of transportation infrastructure, including roads, railways, ports, and airports, has impeded attainment of both economic growth and poverty alleviation. Development of transportation infrastructure is indispensable to make economic growth sustainable, facilitating the efficient movement of people and goods.

The demand for transportation infrastructure is high worldwide. The need to maintain, repair, and upgrade aging structures is ever-growing. Securing funding is a big challenge for a government because infrastructure projects require significant amounts of financing. Public funds are limited and are far from sufficient to fulfill all infrastructure development needs. To fill the

### Case Study **Mongolia: Support for the Urban Development of Ulaanbaatar**

## Consistent Urban Development Project from City Planning to Implementation Capacity Building

**The population of Mongolia's capital city, Ulaanbaatar, is rapidly growing and various issues, such as urban sprawl and a shortage of infrastructure facilities, are arising. JICA has extended its consistent support from city planning to implementation of urban development projects to ensure sustainable urban management.**

### Rapid Growth of the Population

Since the collapse of the socialist system in 1992, Mongolia's capital city, Ulaanbaatar, has seen rapid reforms through the introduction of a market economy, which concurrently caused broad changes in the urban structure. With freedom of movement within the country, which was implemented in 1997, and the inflow of nomads who gave up on pasturing after the severe snow damage in 1999 and 2003, the city's population has rapidly increased from 650,000 in 1998 to over 1,300,000 in 2012. Currently, the annual population increase rate of this city is approximately 3%.

A large part of the population inflow originates in rural areas and, with nomads putting up their *gers* (portable dwellings), urban sprawl is increasing. Partly due to the inability of the Mongolian Mortgage Corporation, which is in charge of providing public housing, to cope with this population increase, housing supply does not meet housing demand and 60% of the city's population is believed to be living in *ger* areas, where fundamental urban infrastructure is nonexistent.

In these areas, new urban problems are also emerging including environmental issues such as air pollution caused by the use of coal for heating and pollution by wastewater.

### Promoting Sustainable Urban Development

JICA conducted the Study on City Master Plan and Urban Development Program of Ulaanbaatar City (2007–2009) and established

a city master plan draft incorporating elements such as a balanced land use plan considering environmental conservation and legal city planning system. The master plan passed through the national parliament in February 2013 after the completion of reviews by the Ministry of Road Traffic, Ministry of Construction and Urban Development, and the Ulaanbaatar City Government.

Moreover, in order to assist in implementation of this master plan, JICA started the Project on Capacity Development in Urban Development

Sector in Mongolia (2000–2013) in cooperation with local authorities in Japan. Through this project, JICA supported the establishment of planning systems, including land reallocation and urban management and the human resources development for implementing development projects. As a result of these efforts, an urban redevelopment law to enable enhancement of living environments is expected to pass in the national parliament in 2014.

JICA is contributing to the promotion of sustainable urban development through consistent urban development projects from establishing urban master plans to necessary legal systems and organizations for implementation of the master plan.



Ulaanbaatar city is sprawling through the inflow of nomads and redevelopment of these areas with fundamental infrastructure is required.

**Case Study** Supporting Infrastructure Exports through ODA**JICA's Assistance for Intelligent Transportation Systems (ITS)**

Intelligent Transportation Systems (ITS) are widely recognized as an efficient and effective way to ease traffic congestion in many large cities by controlling traffic to realize the optimal use of existing road capacity. JICA has been supporting several ITS projects to address urban traffic problems in developing countries considering Japanese ITS firms' advanced technologies.



Installing a traffic control system provided under Grant Aid on a highway in Hanoi, Viet Nam.

**A Smart Solution for Traffic Problems**

ITS uses information and communication technologies (ICT) to mitigate traffic congestion and prevent accidents by providing drivers with traffic information to change their behaviors.

Interest in ITS technology is high, especially in ASEAN and South Asian countries, to operate their toll highway networks that are ever expanding to support their recent economic growth. Western and Korean manufacturers are active in the ITS business in Asian countries, where electronic toll collection systems (ETC) have already been put in place. So are the Japanese ITS companies. Their activities so far include projects for an electronic road pricing system in Singapore and traffic-light systems in Thailand.

In addition to support for urban road and railway projects in partner countries, JICA assists in human resources development and technology transfer by dispatching experts and accepting trainees with the cooperation of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT). JICA also provides assistance for designing desirable future urban transportation systems through preparation of urban transportation master plans. In the field of ITS-related Japanese technologies, JICA has project experience in traffic-light control, traffic management, and information services.

The traffic-light system by the Japanese firm in Thailand mentioned earlier is conducted based on its success in an intersection improvement pilot project in Chiang Mai

conducted under JICA's urban transportation planning study, and is welcomed by Thailand for addressing traffic difficulties.

**Support from Policy Preparation to Project Implementation**

Myopic preference for a low-cost ITS option without a clear long-term strategy may limit the scope for future system expansion and compatibility with other traffic systems. To avoid this, in Viet Nam, JICA first implemented technical cooperation to establish technical standards for ITS to enable the Vietnamese government to introduce and operate ITS guided by an appropriate technical policy. A Grant Aid project to install an international standard traffic control system for a highway in Hanoi followed. Its technical advantages were understood by local people, creating opportunities for this quality traffic system to be adopted to other highways.

**Integrating Expertise of Japanese Industry, Academia, and Government**

In 2011, JICA set up an ITS study group in Japan consisting of members from private companies, universities, and governments to facilitate information exchange as to how effectively Japanese ITS technologies can contribute to developing countries' challenges. This group later transformed into a support committee to provide advice for ITS-related studies conducted by JICA.

In 2013, the ITS World Congress was held in Tokyo, where many ITS specialists met in one place. Taking this opportunity, JICA, in close coordination with ITS industries, academia, and government, launched an ITS technical training course targeted at African and Asian countries to help them design comprehensive transportation systems and introduce ITS tailored to local conditions.

As described above, JICA continues its activities to provide solutions for partner countries' urban transportation problems by consolidating ITS expertise in various sectors and combining Technical Cooperation, ODA Loans, and Grant Aid.



Presentation of a report at an ITS training program. The training participants exchanged views with private companies' participants.



Myanmar: training on gauge measurement, part of the Project on Improvement of Railroad Service and Safety of Railway.

financing gap, other funding sources, including private capital, need to be tapped to ensure value for money and sustained transportation services.

Furthermore, there is also the need to support partner countries to address environmental challenges, like greenhouse gas emissions reduction and air quality improvement, by reducing traffic congestion through introduction of public transportation and also by improving logistics through alternative transportation modes like railways.

### ● JICA Activities

The main aim of JICA's cooperation for the transportation sector is to contribute to improvement in the living environment and increase in incomes by vitalizing socio-economic activities through attainment of swift, smooth, and safe transportation of people and goods.

For developing countries, building roads and bridges alone is not enough for transportation infrastructure development. A plan for an efficient transportation system needs to be prepared, and human resources need to be developed and organizations strengthened for proper infrastructure planning and maintenance. Also, institutional arrangements should be made to enable transportation operators to sustainably manage their infrastructure assets. JICA focuses on the users and beneficiaries of infrastructure services, including women and children, people with disabilities, minority groups, and local residents, and actively promotes community participation and collaboration with NGOs, giving serious consideration to "who will use it and for what purposes."

In addition, cooperation for the transportation sector needs to be considered from a variety of perspectives. International transportation facilitates trade and the flow of people and strengthens regional economies beyond national borders. National transportation ensures people's fair access to transportation services and balanced development. Urban transportation supports sustainable urban development by improving urban mobility. Rural transportation improves living standards of rural

areas, which tend to be left behind urban areas. As such, JICA pursues "inclusive and dynamic development" so that all people can share the benefits of development.

### Introducing Advanced Technologies to Address Transportation Issues in Developing Countries

To respond to transportation challenges in partner countries, JICA has helped enhance knowledge on a range of technologies and build capacities to choose and adopt the best solutions that reflect local conditions and constraints. There are many cases where advanced technologies are applied to traffic problems in developing countries, particularly to those that use Information and Communication Technology (ICT). In this kind of field, combining a private firm's expertise and academic knowledge is a key for successful intervention. JICA plays a coordinating role to help partner countries address transportation challenges, facilitating the participation of various sectors [ → see the Case Studies on pages 61 and 73].

## Information and Communication Technology (ICT)

### ● Overview of the 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 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.

Furthermore, developing countries have gaps, within their countries, between areas where communication infrastructure is established and areas where there is little or none. This gap translates directly into a structure of widening economic disparities.

### ● JICA Activities

In its new Medium-Term Policy on ODA announced in February 2005, the Japanese government, based on an understanding that ICT is one means to attain sustainable growth, states that improvement in the ICT field, development of infrastructure, and assistance in human resources development are its major approaches to assist in sustainable growth and poverty reduction. JICA also believes that bridging the digital divide is necessary to bring in effectiveness and efficiency in any type of cooperation, and has been contributing to improve ICT utilization in developing countries.

#### ICT Policies Linked to Social and Economic Development

JICA offers the following five approaches to increasing the use

of ICT in developing countries:

(1) Improving ICT policy-planning capabilities: dispatching advisors to support the formulation of IT policies in such areas as national strategy concerning telecommunication, the development of relevant industry, and user protection including information security measures.

(2) Developing ICT infrastructure: formulating a plan to develop backbone networks and rural communication infrastructure, and reinforcing their maintenance and management capacities.

(3) Improving aid effectiveness and efficiency through ICT use: increasing 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) Training skilled ICT personnel: implementing human resources development projects to enhance the capabilities of technicians and policy planners in order to further diffuse ICT usage. This step accounts for a large proportion of JICA's ICT support.

(5) Broadcasting: extending cooperation to expand the use of Japanese-style digital terrestrial broadcasting, which can withstand interference and allows stable reception.

#### Case Study

### Bosnia and Herzegovina: Project on Informatics Curricula Modernization

## Promoting Ethnic Collaboration by Standardizing Informatics Education

**The scars of the conflict in the 1990s still remain in Bosnia and Herzegovina. JICA is assisting standardization of high school informatics education as the first step toward integrated education to promote reconciliation.**

### Spreading a Modernized Curriculum to All High Schools Nationwide

In Bosnia and Herzegovina, Muslim (Bosniaks), Serbs, and Croats, who were involved in the ethnic conflict that ended 19 years ago, still continue to provide education to students using separate curricula and textbooks.

The international community supporting Bosnia and Herzegovina started to promote education integration in 2002, led by the

Organization for Security and Co-operation in Europe (OSCE), from the viewpoint that such separation in education could become a source of future recurrence of conflicts. In the following year, 2003, the Framework Law on Primary and Secondary Education was adopted. Also agreed on was implementation of the Common Core Curriculum, which was designed to start integration from common parts, where educational controversy among the ethnic groups were not seriously anticipated. However, the ethnic

groups were reluctant to integrate; visible results were not achieved.

JICA, which regarded consolidation of peace in the Balkans as a pillar of its assistance, responded to the OSCE's initiative, modernized curricula based on Japanese informatics textbooks, and conducted an integrated course on a trial basis in the Mostar High School, where Muslims and Croats, who had previously learned under separate curricula, studied together from 2006 to 2007.

In the next two years, from 2008 to 2010, the trial courses were expanded to 18 major general high schools nationwide for the Project on Informatics Curricula Modernization in Bosnia and Herzegovina. In Phase 2, from 2010 to 2014, the curricula have been implemented in all 54 general high schools. JICA is also extending its assistance to the educational authorities concerned to officially approve this modernized curriculum.

The project has provided opportunities for school teachers belonging to three different ethnic groups to work together for the first time, and is promoting communication among them. Moreover, common frameworks underlie study even for the school subjects where educational content differs widely among the ethnic groups, such as history and geography. The project has started to play its role as a catalyst, and the total integration of education in the near future is hoped for.



Students studying under the new curriculum using PCs supplied with the project.



Cambodia: an aspiring teacher attending a physical education class. (Photo by Shinichi Kuno)

## Director General's Message

## Dynamic Development for People's Lives and Dignity



Takao Toda Director General Human Development Department

**In fiscal year 2013, the Japanese government announced several policies regarding education, health services, and social welfare. In accordance with the concept of human security, JICA has been aiming to achieve "Inclusive and Dynamic Development," in which all those who participate take a leading role and also benefit from the development. In addition, we are working toward fast-moving and dynamic business development in line with the new policy framework.**

In the health sector, the Japanese government set the promotion of Universal Health Coverage (UHC) as one of the highest priorities in its Japan's Strategy on Global Health Diplomacy in May 2013. UHC is defined as the condition that all people can receive the necessary health services at an affordable cost. Through close collaboration with developing countries, international organizations and academics, JICA is advocating the importance of UHC to the global health community and currently formulating projects contributing to its achievement. JICA's cooperation aims not only to improve the current health systems, but also to assist in reforming the health financing system in developing countries. In Kenya, JICA will shortly start a program by combining technical and financial assistance. JICA is also preparing a program to promote UHC in Myanmar.

As an example in the education sector, we rigorously prepared for the the launch of the African Business Education Initiative for Youth (ABE Initiative). This initiative is conducive to the National Security Strategy of December 2013, which stresses human resources development in developing countries and strengthening international interactions, and it was announced at the Fifth Tokyo International Conference on African Development (TICAD V) in June 2013. Young professionals from Africa

will study at graduate schools in Japan and intern at Japanese companies. This will assist in developing high-quality human resources and strengthening the industry-academia network. It will also contribute to the growth of African countries by utilizing the vitality of the Japanese private sector as well as to the revitalization of local communities in Japan. The first batch of students is expected to arrive in September 2014. JICA aims to expand its activity globally by providing assistance that utilizes Japan's strengths in the areas of science and technology, and also focusing on improving the quality of primary and secondary education.

In the field of social security, we have begun efforts to address the issue of aging. Aging has become a serious issue in ASEAN countries as well as other developing countries. Utilizing the experiences Japan has accumulated in this field and reflecting on the lessons learned, JICA has been providing opportunities for Japan and developing countries to discuss challenges and lessons and to learn from one another. Additionally, we will continue our efforts to raise awareness on disability and to support the empowerment of persons with disabilities so as to incorporate their perspectives in all aspects of the development process.

# Education / Social Security / Health

For Providing Many Opportunities to as Many People as Possible



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

It is a critical issue for developing countries to broaden the possible choices in order for people to lead a creative, stable life with freedom and dignity. In particular, the major goal for them is to receive education, live a long healthy life, and secure a standard of normal living in dignity. Based on the philosophy of “human security” that aims to bring freedom and possibilities to all human beings, JICA emphasizes the realization of the Millennium Development Goals (MDGs) for future human prosperity. In many developing countries, JICA provides support for education, health care, and social security.

## Education

### ● Overview of the 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.

Although the enrollment rate in primary education has been improved<sup>1</sup> to some extent in developing countries, one in four primary school students<sup>2</sup> leaves school without completing it. As for the goal of eliminating the gender disparity in the enrollment rates of primary and secondary education (MDG Goal 3), the ratio of countries in the world that have achieved the goal remains at 60% in primary education and 38% in secondary education as of 2011.<sup>3</sup> With regard to educational quality, it is also pointed out that over 250 million children lack basic skills in reading, writing, and mathematics.<sup>4</sup> Enhancement of quality secondary education also has been an urgent issue.

In the National Security Strategy approved by the Cabinet in December 2013, it is stipulated that Japan will strengthen educational efforts for the achievement of MDGs in order to address the situation. Furthermore, provision of support for basic education and post-basic education was also declared in the Yokohama Action Plan of the Fifth Tokyo International Conference on African Development (TICAD V) held in Yokohama in June 2013.

With the widespread access to primary and secondary education, and with a view to the post-MDGs period, 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 role in responding to the needs of creating a knowledge-based society in each country. 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 both Japan and the region. It has been also important from the perspective of contributing to the economic growth in the region through fostering the highly skilled human resources required by industry, which can also lead to increase Japan’s social and economic vitality. Recently, Japanese industries have become increasingly interested in the African region, with its stable economic growth. Consequently, higher educational institutions in the region are also expected to play a pivotal role in economic movement. Within Japan, specific policies on cultivating global human resources have been established at the 7th Council for Industrial Competitiveness in April and the 3rd Recommendation of the Education Rebuilding Council in May 2013. In consideration of economic movement, it is necessary to promote higher education assistance. Moreover, at the UN General Assembly in September 2013, Prime Minister Abe emphasized the significance of promoting women’s social advancement and the social participation of socially vulnerable people, such as persons with disabilities. From this perspective, it will become important to expand access to education to women and socially vulnerable people in the field of higher education.

### ● JICA Activities

#### 1. Basic Education

Basic education refers to literacy and numeracy—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).

Developing countries face diverse issues in the basic education sector. Among them JICA is working on to improve primary and secondary education quantitatively and qualitatively.

1. Although the net ratio of primary education enrollment in developing countries was improved from 82% (in 1999) to 90% (in 2011), over 5.5 million children (as of 2011) still cannot go to school today. (Source: UNESCO (2014), EFA Global Monitoring Report)

2. The survival rate to last grade in developing countries shows little improvement from 71% (in 1999) to 73% (in 2011). (Source: UNESCO (2014))

3. Ratio of countries where data is available (Source: UNESCO (2014))

4. Source: UNESCO (2014)

For the Sub-Saharan African countries that form the priority region for basic education cooperation, JICA is providing cooperation in line with the Yokohama Action Plan that was announced at the Fourth Tokyo International Conference on African Development (TICAD IV) in May 2008. JICA's programs involve (i) construction of more than 500 primary and secondary schools,<sup>5</sup> (ii) training for 230,000 mathematics and science teachers [ → see the Case Study below] and (iii) expansion of the "School for All": The project on support to educational development through community participation, to 18,000 schools. The Yokohama Action Plan adopted by TICAD V in June 2013 indicates the contribution to a better educational environment for 20 million children. Training programs will be provided to science and mathematics teachers. In addition, the system of academic achievement tests of targeted countries will be also improved.

In Myanmar, a new type of assistance will be provided to support curriculum reform in a comprehensive manner, such as revision of curricula and textbooks for all academic subjects in primary education, training for teachers, and academic assessment. Along with such an expansion into new approach, collaboration with the educational industry will be expanded.

In Southwest Asia, where educational opportunities for girls and women are limited, JICA is engaged in empowering girls' and women's education and abilities through non-formal education (in Pakistan) and literacy education (in Afghanistan). Focusing on equity and inclusiveness, JICA will continue to work actively for quality education toward Post-2015.

## 2. Higher Education

JICA is providing aid to the higher education field in developing countries with the cooperation of Japanese universities. With the

main targets being the leading 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 addition, a new type of assistance has been initiated to create a system that assures educational quality.

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 providing support for leading universities in each country. Furthermore, utilizing ODA Loans, JICA is carrying out large-scale international students programs for those from Malaysia and Indonesia to study as regular student at Japanese universities. Following these countries, recently, a similar program has also started in Mongolia.

In the Middle East and Africa, JICA aims at fostering human resources with highly specialized knowledge and skills to meet the demand of industry, through support for Egypt-Japan University of Science and Technology (E-JUST). This school is an academic institution providing Japanese-style engineering education in the region. In addition, 900 students from Africa will be invited within the next 4 years to study as master's degree students at Japanese universities and work on internship in Japanese companies. This program will be a human resource development support for the African countries, under the "African Business Education Initiative

5. Japan committed to the construction of 1,000 schools and 5,500 classrooms.

### Case Study

#### Zambia: Strengthening Teachers' Performance and Skills through School-based Continuing Professional Development Project (STEPS)

### Improving Lessons by Japanese-originated "Lesson Study"

**Although access to basic education has been improved, Zambia still has a major issue related to quality of education. JICA is promoting the improvement of quality of education through lesson study.**

#### Comprehensive Support Programs

In Zambia, the living standard of the people has been improved along with economic growth, and access to basic education has also expanded. However, Zambia still faces some challenges, such as a lack of classrooms



Educational administrators learning the lesson study and teaching materials research.

and learning materials for students, insufficient training for teachers, and poor student performance.

In such circumstances, the Zambian government regards the improvement of quality of education as the most important issues. Therefore, the government has requested technical cooperation from Japan so that they can utilize their existing teacher training system and enjoy continuous professional development (CPD) of teachers.

In 2005, JICA started the SMASTE Science CPD Project, which incorporates school-based lesson study. Responding to the results, targeted areas were expanded to 3 provinces in 2008 (Phase 2). Moreover, the Strengthening Teachers' Performance and Skills through School-Based Continuing Professional

Development Project (STEPS) was implemented for enhancing teaching capability through conducting lesson study for teachers in 10 provinces. This project aims at the continuous improvement of quality of education.

In addition to STEPS, JICA also provides comprehensive educational sector support programs to improve the quality of education in Zambia. These programs include Grant Aid for Poverty Reduction Strategy, the dispatch of educational policy advisors and Japan Overseas Cooperation Volunteers (JOCVs).

Utilizing the synergetic effect of these cooperation schemes, JICA will be engaged in continuous development of teachers' capabilities and improvement of their quality. Moreover, JICA will also work on making recommendations to policy makers on the effective use of the educational sector group fund, as well as providing technical cooperation for the revision of basic education curricula in mathematics and science.



for Youth” (ABE Initiative) announced at TICAD V in June 2013. The first group will be accepted in September 2014. JICA will also assist Pan African University, which aims at improving the level of higher education in the African Union through collaboration with Jomo Kenyatta University of Agriculture and Technology of Kenya, with which JICA has long-standing cooperation.

## Social Security

### ● Overview of the Issue

In recent years, developing countries are also experiencing the weakening of the ties within families and local communities due to progressive industrialization and urbanization. In addition, the populations of some countries in Southeast Asia are aging at a rapid rate. While some countries and regions are going through remarkable economic growth, many people are being left behind without enjoying the fruits 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 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.

Support for the independence of socially vulnerable people, including persons with disabilities, facilitates their participation in community and economic activities. As a result, this movement will lead to forming a country with inclusive and sustainable growth and vitality. The elimination of social, cultural, economic, political, or physical barriers that prevent persons with disabilities from social participation is a major challenge. In Japan, the Act on the Elimination of Discrimination against Persons with Disabilities

was enacted in June 2013. Furthermore, the Convention on the Rights of Persons with Disabilities ratified by the Japanese government in January 2014 stipulates that participation of persons with disabilities must be secured in international cooperation activities.

Moreover, in developing countries, industrial accidents are increasing along with economic development. However, the establishment of a legal framework in the field of occupational health and safety and its enforcement have not been sufficient. 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. As seen in the Arab Spring, increase in unemployment or underemployment among young people can be a cause of social instability.

In such a situation, establishment of social security has been a critical developmental issue.

### ● JICA Activities

Based on Japan’s knowledge and experience in social security, JICA is implementing activities aimed at improving social security in developing countries. 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 supports 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 and long-term care services for the elderly. 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

#### Case Study

#### Rwanda: The Skills Training and Job Obtainment Support for Social Participation of the Ex-Combatants and Other People with Disabilities

### For Working and Living Together in Harmony

**In Rwanda, which experienced a civil war at the beginning of the 1990s, social rehabilitation of persons with disabilities was a major challenge along with the disarmament of former combatants. Since 2005, JICA has provided job opportunities to former combatants and persons with disabilities to achieve their social participation and coexistence.**

#### Over 2,500 Persons with Disabilities Completed the Training

In the project, JICA provided technical skill training in sewing, electricity, and piping work for former combatants and other persons with disabilities, in association with the Rwanda Demobilization and Reintegration Commission. In addition, some guidance was also provided to offer know-how on establishing and managing a cooperative association that can help increase job opportunities. At the same time, JICA promoted barrier-free access to facilities by installing ramps and renovating toilets so that persons with disabilities are able to easily participate in the training programs.

As a result of these efforts, the total number of persons with disabilities who have

completed the training projects in Phase 1 and 2 is over 2,500. Most of them are engaged in economic activities using their knowledge and skills acquired in the training. Some former combatants set up cooperative associations jointly with those who had been their enemies at the time of the battle. To put it another way, these efforts encourage mutual understanding among people with different historical and cultural backgrounds. Furthermore, trained persons with disabilities share their skills with local people and contribute to their community. In this way, local people have largely come to change their perception of persons with disabilities.

This project demonstrated that acquisition of skills by persons with disabilities can not only

encourage their social participation, but also shift the community’s perception of disability. It was also verified that joint activities by people with different backgrounds were able to mark the first step toward reconciliation and mutual understanding in the reconstruction process after the conflicts. JICA will apply these experiences to future assistance in other countries and regions.



Nine former trainees including four persons with disabilities have set up an association for electronic construction. They are repairing electronic devices such as mobile phones.

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's experience in dealing with an aging society, particularly among middle-income countries in Southeast Asia.

In fiscal 2013, JICA hosted seminars in Malaysia and Viet Nam to share Japan's experiences and also initiated a new Technical Cooperation project that strengthens the social security systems in Indonesia.

## 2. Disability and Development

JICA views persons with disabilities as important contributors to development. JICA's ultimate goal is to realize a society that accommodates all people, regardless of disabilities. JICA aims at realizing the "full participation and equality" of persons with disabilities in developing countries, with emphasis on cooperation that ensures their active participation in society. Toward the realization of the society, JICA is making efforts to promote the mainstreaming of disability in its activities by engaging persons with disabilities as beneficiaries and providers. In addition, JICA is also promoting the empowerment of persons with disabilities through leadership trainings and strengthening capacities of their organizations, as well as creating barrier-free environments [→ see the Case Study on page 113].

## 3. Labor and Employment

Through improving industrial health and safety and enhancing labor standards inspection, JICA assists in creating an environment where people can work free from anxiety. As well as strengthening public employment services to support employment, JICA is also working on relieving unemployment among young people through improving technical and vocational education and training. Some of the activities in the field of vocational training aim at supporting the reconstruction of post-conflict countries and improving the livelihood of socially vulnerable people [→ see the Case Study on page 79].

# Health

## ● Overview of the Issue

In developing countries, many people lose their lives because they are not able to receive adequate health care or medical services. Despite technical and financial assistance from international organizations such as the World Health Organization (WHO), donor countries and private foundations, it seems to be difficult to achieve MDGs by 2015.

In light of the "Strategy on Global Health Diplomacy" set out by the Japanese government, JICA is accelerating the effort to support developing countries to achieve MDGs in cooperation with international organizations and donor countries. Furthermore, for promotion of the "Universal Health Coverage (UHC)<sup>6</sup>," JICA is working on "strengthening health system," "maternal and child health," and "infectious diseases control" from the following perspectives.

## ● JICA Activities

### 1. Health Systems Strengthening

"Health systems strengthening" is defined as a process to improve the structural foundation that provides both public health and medical services to people in need. This includes changes in health policy and administrative structure, improvement of health facilities, establishment of an efficient and accurate supply chain of medical products, improvement of the quality, collection, and utilization of health information, and enhancement of health financial management, including revenue collection. This also pertains to the capacity improvement of health workforces that play crucial roles in health service delivery and health administration. Health systems strengthening is essential to achieve Universal Health Coverage (UHC), which aims both at preventing financial catastrophe due to medical costs and at addressing geographic, financial, and sociocultural barriers to essential health services, especially for maternal and child health and infectious diseases control.

JICA provides multilayered assistance to strengthen health systems in targeted countries. In the African region, JICA provided capacity development support to local health administrations, and introduced Japanese management practices such as *kaizen* for better health facility management. In Senegal, the training models and the tools for effective management developed through the implementation of JICA projects were widely adopted by other donors to be utilized throughout the country. In Tanzania, the introduction of *kaizen* helped reduce the waiting time for patients and excessive inventory of medical supplies in hospitals. In Kenya, JICA has helped expand essential health services, including immunizations and delivery assisted by skilled birth attendants, in the project-supported areas. In the Latin American region, JICA aims to contribute to the national health priorities through the establishment of effective service delivery models at the primary health care level in Bolivia, Guatemala, and Honduras.

In some targeted countries, JICA is formulating support programs by combining financial and technical cooperation to achieve greater impact on health outcomes. For example, a health finance expert is dispatched to the Ministry of Health of Kenya to help achieve UHC in collaboration with organizations such as the World Bank. In Myanmar, JICA is working on the development of regional health services delivery and health policies formulation. In addition, JICA started policy consultation for the development of social health insurance schemes in Southeast Asian countries such as Indonesia and Thailand.

### 2. Improving Maternal and Child Health

Approximately 99% of the 280,000 pregnant women who die during pregnancy or childbirth and the 6.6 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 are the most serious issue in developing countries.

In fiscal year 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

6. WHO defines UHC as "ensuring that all people can use the promotive, preventive, curative, rehabilitative and palliative health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship."

a comprehensive “continuum of care for maternal and child health” more widespread and sustainable. JICA has focused on strengthening frameworks for maternal and child health service provision and capacity development. JICA’s measures include: reinforcing administrative and management capacity of health ministries for the extension of mother and child health services; building capabilities of local health authorities; strengthening capabilities of midwives and other health service providers; empowering the community and raising their awareness; and strengthening the coordination among health centers, primary and referral health facilities.

In 2013, JICA initiated Technical Cooperation for the improvement of maternal and child health in the Dominican Republic, Honduras, Burundi, Djibouti, and Sierra Leone for the purpose of securing safe childbirth and appropriate newborn care. In Cambodia, by utilizing Grant Aid provided by Japan, the National Maternal and Child Health Center was established in 1995 as a central hospital and administrative base for the development of human resources engaged in maternal and child health. Responding to the situation where advanced medicine has been increasingly required for obstetric and neonatal health, it has been decided that enhancement of facility functions will be funded by Grant Aid.

Moreover, since malnutrition of pregnant women and infants has a serious impact on their health condition, JICA participates in the SUN (Scaling-Up Nutrition) network, which facilitates effective measures under global cooperation between the public and private sectors. In addition, nutritional measures especially have been emphasized in the field of food security. In Zimbabwe and Guatemala, new health cooperation programs were launched for the enhancement of nutritional administration and strengthening human resources. JICA is integrating nutritional efforts into the mother and child health program.

### 3. 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 poor especially. They are also a factor in hindering economic and social development. Infectious disease control is an issue that needs to be addressed globally, as infectious diseases spread across countries and continents through economic activities and as a result of the development of transportation.

JICA provides support for infectious disease control through both a horizontal approach, which focuses on strengthening of the health system, and a vertical approach, which aims to tackle specific diseases. In implementing its technical cooperation and financial assistance, 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 where appropriate. Technical Cooperation involves formation of a national strategy; collection and analysis of health information; strengthening prevention, testing, and treatment services; and improving access to such services. Financial assistance is carried out to supply countries with polio, measles, and other vaccines as well as various types of equipment.

In 2013, JICA carried out Technical Cooperation projects in Afghanistan, Myanmar, Ghana, Zambia, Solomon Islands and Viet Nam, as well as provided training programs in Japan for officials from several countries to strengthen their administrative capability and diagnostic techniques. In other areas, JICA utilized 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 has been conducted under the Science and Technology Research Partnership for Sustainable Development (SATREPS) [[→ see the Case Study on page 115](#)].

#### Case Study

### Jordan: Integrating Health and Empowerment of Women in the South Region Project

#### Efforts for Raising People’s Awareness of Reproductive Health

**JICA promotes family planning through women’s empowerment with the aim that women in conservative Islamic societies be capable of deciding on the number of children they will have jointly with their husbands.**

#### Awareness-Raising Activities through the Involvement of Men and Religious Leaders

The southern part of Jordan, where traditional society remains ingrained even today, faced several issues on women’s reproductive health (RH), such as high birth rates that exceeded the national average and a low contraceptive prevalence rate.

JICA started to address such problems in the southern part of the country in 1997. JICA implemented the Integrating Health and Empowerment of Women in the South Region Project in 2006, and later expanded the targeted areas to 76 villages in four prefectures, focusing

on improving RH services and encouraging family planning. JICA also constructed local clinics, trained health workers, and implemented awareness-raising activities by involving men and religious leaders. Combined with the preceding projects, prior to 2006, the cumulative number of home-visits for women delivered by health educators totaled 12,897.

As a result, the contraceptive prevalence rate in the four prefectures rose significantly from 44.0% in 2007 to 50.4% in 2011. The positive outcomes of the project were incorporated in the policy recommendations prepared by the project for the Government of Jordan. Due to the success, the health educators who were



Teaching health educators how to check blood pressure.

initially volunteers in the villages were officially hired as government personnel.

Dr. Tokiko Sato, JICA Senior Advisor, has played a crucial role since the beginning of the project. In his speech at the UN General Assembly in September 2013, Prime Minister Abe cited her achievement and the project outcomes as a good practice that impacted women’s lives.



Brazil: the Amazonian rain forest, called "the lungs of the earth." (Photo by Shinichi Kuno)

## Director General's Message



## Efforts in Line with the New Framework of 2015 for the Fields of Disaster Risk Reduction, Climate Change, and Water Resources

Masami Fuwa Director General Global Environment Department

**The year 2015 will be a major milestone for the international community. A new framework will be formulated at the Third World Conference on Disaster Risk Reduction (DRR) in Sendai, Japan, new goals will be determined at the United Nations Climate Change Conference (COP21), and a new framework after the Millennium Development Goals (MDGs) will be formulated. JICA is making efforts with a focus on 2015.**

In the field of DRR, at the Global Platform for Disaster Risk Reduction in 2013, JICA proposed the importance of DRR investment in development projects. What is notable in this field is that JICA has developed DR<sup>2</sup>AD, a model that quantitatively evaluates the impact of DRR investment on GDP growth; the validation results of this model were featured in the "United Nations Global Assessment Report on Disaster Risk Reduction 2013." In 2014, working with the international community, JICA will utilize this model to verify the effect of DRR investment.

As for climate change, in response to the agreement by COP19, which was held in 2013, JICA will strengthen support for comprehensive disaster risk management, including prevention and mitigation for the sake of countries vulnerable to the adverse impacts of climate change. As part of reinforcing cooperation with East Asia,<sup>1</sup> JICA initiated cooperation for the Climate Change International Technical and Training Center in Thailand in order to develop human resources in charge of climate change in the ASEAN region.

In the field of environmental management, JICA carried out surveys on the promotion of waste management in African countries as a priority goal of the Fifth Tokyo International Conference on African Development (TICAD V). On the basis of the results, JICA is planning cooperation

for improving comprehensive capabilities regarding administrative waste control in Nigeria.

In the field of natural conservation, by promoting REDD-plus as mitigation of global warming to reduce greenhouse gas emissions by forestation, JICA has supported construction of information systems, such as establishing forest inventories that measure accumulated amounts of carbon, utilizing Japan's satellite data in eleven countries. JICA also supports regional organizations in central and southern Africa in order to cope with cross-border issues such as management of natural protected areas.

In the fields of water and sanitation, in 2013 JICA provided assistance primarily for access to safe water for the purpose of achieving MDGs in 2015. As a top donor in this field, JICA has contributed to water supplies for about 50 million people for a decade up to 2010. Specifically, the water supplies in major Asian cities can be said to be an achievement of Japan's 60-year ODA contributions. JICA will continue to support overseas activities of local governments and the private sector, with their abundant experience, technologies, and know-how in the field of water supply and sewerage as well as waste management.

1. The region including countries that participated in the East Asia Summit (EAS): the 10 ASEAN countries, Australia, China, India, Japan, Republic of Korea, New Zealand, Russia, and the United States.

# Nature Conservation / Environmental Management / Water and Sanitation / Disaster Risk Reduction / Climate Change Measures

For the Termination of the Vicious Circle 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, and 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 the 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

#### Case Study

#### International Joint Research for Reduction of Greenhouse Gas Emissions

### Contributing to Understanding the Mechanism of Greenhouse Gas Emissions from Forestry Activities

JICA's study on greenhouse gas emissions from tropical forests contributes to strengthening forestry management capability in developing countries and also to promoting the REDD-plus framework for mitigating global deforestation and forest degradation.

#### Strengthening of Forestry Management Capability

Carbon emissions in the form of CO<sub>2</sub> due to deforestation and forest degradation are estimated to account for about 20% of artificial emissions. To contribute to the REDD-plus framework for mitigating global deforestation and forest degradation, JICA and the National Institute of Amazonian Research in Brazil jointly set up survey plots at about 1,200 sites in the central Amazon region that had not been investigated, in order to understand carbon dynamics in individual forests. Jointly with the National Institute for Space Research and its

advanced remote-sensing technology, JICA engaged in developing an evaluation technology to assess the carbon dynamics of the vast forest by utilizing satellite data in the Carbon Dynamics of Amazonian Forests Project.

This effort successfully allowed improvement in the measurement accuracy of carbon emissions reduction due to prevention of deforestation and forest degradation.

Moreover, tropical peat that exists widely in Indonesian swamps have a large accumulation of carbon and are called "explosives warehouses for global warming." Carbon in the area has been released into the atmosphere



Survey on carbon emissions of the Amazonian forest in Brazil.

due to peat fires resulting from development, such as canal construction, intentional burning by farmers, and farmland reclamation. Working with research representatives of Hokkaido University, JICA established a model dealing with fire and carbon management of peat and forests in Indonesia in the project Wild Fire and Carbon Management in Peat-forest in Indonesia. In this project, carbon emissions from tropical peat soil to the air was measured comprehensively for the first time in the world; consequently, this achievement provided scientific backing for emission limits and also contributed to institutionalization of REDD-plus.

human activity.

### ● **JICA Activities**

During the period from 2000 to 2013, JICA pursued natural conservation activities on 17.81 million hectares of land (12.12 million ha for forest, and 5.69 million ha for conservation of other ecosystems). 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. These activities also contributed to the capacity-building of 600,000 administrative officials and residents.

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. Climate Change Measures through Sustainable Forestry 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. CO<sub>2</sub> and mitigating 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. Through support for system improvement in developing countries by promoting REDD-plus (Reducing Emission of greenhouse gases from Deforestation and forest Degradation or through forest conservation in developing countries), JICA supports the proper management of forests, which are a sink for CO<sub>2</sub>. JICA is also providing assistance for disaster risk reduction and watershed management utilizing multilateral functions of forests in key watersheds, disaster-prone areas, and so on [ → see the Case Study on page 83].

#### **2. Sustainable Utilization of Natural Resources for Improvement of Livelihoods in Vulnerable Communities**

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 usage destroys 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 major roles.

To achieve proper conservation of forests and soils in vulnerable areas, such as the arid and semiarid lands in Sub-Saharan African countries, JICA is promoting activities for sustainable utilization of natural resources in surrounding communities and improvement of livelihoods. If the administrative system of the partner countries is vulnerable, JICA actively

pursues cooperation with international organizations and NGOs.

#### **3. Biodiversity Conservation through Management of Protected Areas and Surrounding Buffer Zones**

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.

In important protected areas such as national parks and surrounding buffer zones, JICA is providing various forms of support: development of management plans, implementation of surveys and monitoring, capacity-building of administrative officials and researchers, introduction of ecotourism, and environmental education.

JICA is also assisting the efforts of developing countries to contribute to achieving the world's goals for conserving biodiversity through approach of technical transfer, 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).

## **Environmental Management**

### ● **Overview of the Issue**

Along with economic development, population growth and urbanization, the water and air pollution and inappropriate disposal of waste have become serious problems in many developing countries. 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. And, in recent years, cross-border pollution issues such as increasing greenhouse gases, air pollution by PM<sub>2.5</sub>, and pollution in international rivers have become prominent. In June 2012, at the United Nations Conference on Sustainable Development (Rio + 20) held in Rio de Janeiro, Brazil, it was recognized once again that further measures by the international community to deal with environmental issues were indispensable. Moreover, the conference agreed that promoting green economies is essential for development in harmony with the environment and that developed countries would strengthen their aid for developing countries. Furthermore, a treaty titled the Minamata Convention on Mercury was concluded in October 2013 in order to reduce the artificial discharge of mercury and prevent global-scale mercury contamination, including cross-border pollution.

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 as outcomes of efforts are hard to detect. Especially due to their tight national budgets, this trend can be seen frequently in developing countries.

## ● JICA Activities

JICA provides various forms of aid in accordance with the development status of each developing country or region. Within that process, JICA gives priority to preventive measures and is emphasizing the establishment of environmental management systems through a capacity development approach. JICA recognizes that it is essential to enhance the capacity of the organizations and individuals to conduct environmental management. Specific measures being taken to strengthen environmental management are as follows.

### 1. Water Environment

JICA supports 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 and implementing them. 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 such as PM2.5.

### 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 developing 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 electronic waste, “e-waste.”

### 4. Efforts in Other New Fields

JICA also supports more advanced environmental management issues and undertakes other efforts that respond to new problems. These efforts expand to various measures, such as management to treat chemical substances that have a large impact on the environment as well as being harmful for human beings, efforts for realization of the Eco-future City vision in light of urban planning and environmental protection measures, and support for environmental protection measures focused on cross-border regional environmental management [[→ see the Case Study below](#)].

For tackling such diverse problems, JICA utilizes Japan’s knowledge, experiences, and technologies. JICA strengthens the cooperation with Japan’s local governments that have know-how on environmental administration, partnerships with private companies that possess techniques for improving environmental management, and other collaborations. By installing evidence-based evaluation methods, JICA is accelerating more effective activities.

## Water and Sanitation

### ● Overview of the Issue

Water is an essential resource for human life. In addition to drinking water, water directly and indirectly supports human

Case Study

### Malaysia: Science and Technology Project for Development of Low Carbon Society Scenarios for Asian Regions

## Supporting Development of the Scenario for a 2025 Low-Carbon Society

JICA is conducting the study of developing a scenario for a low-carbon society modeled after the Iskandar Development Region in Johor, Malaysia, where large-scale industrial development is currently underway.

### 40-percent Reduction in Greenhouse Gas Emissions by 2025

Located at the south end of the Malay Peninsula, the Iskandar Development Region in Johor state is the second-largest urban area after the Kuala Lumpur region. Modeled on the region, JICA is working on developing methods for formulating low-carbon society scenarios, quantifying the vision of a low-carbon society, and creating an implementation roadmap for realization of a low-carbon society. JICA’s five-year project that commenced in 2011 is now ongoing, aiming at formulating comprehensive environmental planning methods for solving several issues simultaneously, such as urban

air pollution and solid waste management.

In March 2014, the “Low Carbon Society Blueprint for Iskandar Malaysia 2025” was formally approved by the Iskandar Regional Development Authority. This plan was jointly formulated by a team of Japanese and Malaysian multidisciplinary researchers, including universities and administrative agencies. The goal of this blueprint is to reduce 40% of greenhouse gas emissions in the Iskandar region by 2025, relative to business-as-usual 2025 emission levels. This is equivalent to approximately 10% of the reduction that has been planned for the whole of Malaysia. This scenario consists



Conceptual drawing of the Iskandar Development Region in Malaysia.  
©2014 Iskandar Regional Development Authority

of twelve major actions, such as Integrated Green Transportation, Green Building and Construction, and Green Energy System.

This practical action plan of a low-carbon society on a regional level, equivalent to the prefectural level in Japan, is the first case among ASEAN countries. In Asian countries considering similar issues, this project is expected to become a showcase for developing low-carbon cities.

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.

Even though safe drinking water is essential for people to live, such water is still not available for 750 million people in the world, and about 760,000 children age 5 and younger die due to diarrhea every year (2013 estimates by the World Health Organization). Moreover, the labor of drawing water for long hours has prevented women from working and children from going to school. Therefore, stably securing safe drinking water has been the key to solve many social issues regarding health, education, labor, and poverty. Another issue closely related to water is sanitation. Diarrhea in many cases is caused by drinking unsanitary water or 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. 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.

## ● JICA Activities

### 1. Water Resources 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 resources 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

#### Case Study Ethiopia: The Ethiopian Water Technology Center Project

### Promoting Human Resources Cultivation for Securing Safe Water

In August 2013, the Ethiopian Water Technology Center (EWTEC) was approved as the National Ethiopian Water Technology Institute (EWTI); consequently, it attained the central position in the water sector both in name and in reality. This center has been supported by JICA since its establishment. This is one of the great results of Japan's 15 years of cooperation and self-reliant efforts of relevant ministries and organizations in Ethiopia.

#### Training Courses for Neighboring Countries

The coverage rate of a safe water supply in rural areas of Ethiopia is 32%, far below the average rate of 60% in other Sub-Saharan African countries. Therefore, developing deep wells and securing safe water are critical issues.

Primarily providing various training courses related to groundwater development, EWTEC widely trains engineers from basic to applied levels.

Looking back, setting up and implementing support of regular training courses in Phase 1 (1998–2005) were mainly provided by Japanese experts. Then, in Phase 2 (2005–2008), implementation and management of the training courses were gradually shifted to counterparts. In Phase 3 (2009–2013), most of the training courses were carried out by Ethiopian counterparts, and they finally acquired the skill of evaluating courses for improvement. In this manner, this project has achieved step-by-step growth.



Field work for an underground water model course. Training participants are using a hydrogeological map and observing the actual landform.

Over 3,500 trainees have been trained in Ethiopia, and today the graduates work actively throughout the nation. EWTEC has also contributed to train engineers specialized in groundwater system in Africa by providing international course training programs to engineers from 18 neighboring African countries.

As a new institution, EWTI is expected to continue to play an important role in the further development of the water sector in Ethiopia.



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, 768 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 (World Health Statistics 2011).

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 [ → see the Case Study on page 24]. 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 toward improving access to sanitation facilities, JICA will gradually expand efforts to establish sanitation facilities and conduct health education, primarily in Sub-Saharan Africa.

## Disaster Risk Reduction

### ● Overview of the Issue

The prevalence of damage from disasters has increased in the past 30 years or so, as flood damage, weather disasters, earthquakes, volcanic eruptions, and other disasters occur across the globe. Especially, developing countries not only face a delay in the development of social infrastructure, but also they confront a concentration of people in cities and effects of climate change; consequently, they are vulnerable to natural disasters. Natural disasters do more than claim lives; they directly impact people’s

livelihoods, aggravate the poverty cycle, and cause economic and social damage.

### ● JICA Activities

#### 1. Activity Policy

Based on a disaster management cycle that entails preparedness, emergency response, rehabilitation and recovery, and prevention and mitigation, JICA supports to implement disaster risk reduction (DRR) measures effectively. In the phase of rehabilitation and recovery, JICA aims at building a disaster resilient society under the concept “Build Back Better,” which does not simply return the society to the same state as before, but rebuilds a stronger society in the wake of disaster. By simulating possible damage based on risk evaluation and increase investment for DRR, JICA aims to alleviate direct and indirect physical and social damage and reduce the cost necessary for emergency response [ → see the Case Studies on pages 35, 40, 88, 125, and below].

#### Strategic Goal 1: Establishment and Strengthening of Disaster Management System

In order to build a disaster-resilient country or region, JICA supports forming a foundation for DRR measures through the following three pillars: 1) Improvement of basic laws related to DRR and establishing an organizational structure responsible for DRR; 2) Strengthening of DRR administrative functions of central and local governments by formulating DRR plans of countries or regions and setting up building codes; and 3) Reinforcement of organizations and human resources related to DRR and promotion of relevant studies through a public-private-academia collaboration system among DRR related organizations.

#### Strategic Goal 2: Correct Understanding of Natural Disaster Risk and Promotion of Common Understanding

Correct understanding of disaster risk is prerequisite and fundamental for deciding on DRR measures. Toward this aim,

#### Case Study

### Thailand: Project on Capacity Development in Disaster Risk Management

## Enhancing Disaster Risk Management Administration Skills and Raising Local and Community Capacity to Cope with Disasters

In Thailand, JICA implemented Technical Cooperation to improve the disaster risk reduction capability of administrative agencies and communities, as well as to promote disaster awareness education at schools.

### Establishment of an Inter-Institution Coordination System

JICA conducted Technical Cooperation Projects for improving the disaster risk reduction (DRR) capabilities of central and local governments and communities, as well as promoting natural disaster awareness education at schools. These projects were conducted in collaboration with two governmental bodies: the Department of Disaster Prevention and Mitigation of the Ministry of the Interior (DDPM), responsible for disaster risk management administration, and the Ministry of Education (MOE), engaged in school disaster education.

In Phase 1, which ended in 2008, JICA enhanced the capability of the DDPM and also strengthened collaboration among relevant institutions. In addition, it also supported creating not only e-learning materials for natural disaster management but also the Thailand’s first “Thai White Paper on Disaster Prevention and Mitigation.” Selecting three provinces as models, JICA supported them in developing provincial and community-level hazard maps, strengthening Community-Based Disaster Risk Management (CBDRM) and introducing techniques for school disaster education.

In Phase 2, which started in 2010, in addition

Evacuation drill in a CBDRM facilitator training program.



to developing national disaster prevention and mitigation plans and specific action plans, JICA is also drawing up curricula for human resource development and implementing Table-top Exercises based on the curricula. Furthermore, JICA supports creating and distributing guidelines for disaster education and related materials to schools throughout the nation.

While multiple organizations and departments are involved in this project, five task forces coordinate them appropriately in a cross-section manner. Considering the project outcomes, relevant authorities of Thailand will work on strengthening inter-organizational collaboration and also promoting the outcomes of model provinces by utilizing the framework of task forces.

JICA supports risk evaluation and analysis, preparation of hazard risk maps, economic analysis of investment for DRR, and assessment of climate change effects. Moreover, JICA facilitates common understanding regarding disaster risk among all stakeholders in the community, through capacity building of community's DRR activities, disaster education, and other approaches.

### Strategic Goal 3: Implementation of Risk Reduction Measures for Sustainable Development

In order to protect human lives and mitigate damage to social, economic, and environmental resources by natural disasters, it is important to make preparations—preventive measures—in ordinary times. JICA supports DRR measures in each sector, and measures and policies that consider disaster vulnerable people, impoverished groups, etc., by combining structural and non-structural measures. Furthermore, JICA also supports balanced risk reduction measures, including hazard-prevention measures such as flood prevention projects, and risk avoidance measures such as land-use regulations.

### Strategic Goal 4: Speedy and Effective Preparation and Response

For providing effective response immediately before and after natural disasters occur, JICA provides support to technical agencies, central and local governments, and the public so that speedy precautions and evacuation can be implemented based on forecasting and early warning and other information. JICA also enforces appropriate measures that immediately provide relief to victims and afflicted areas.

### Strategic Goal 5: Seamless Recovery and Reconstruction for a Disaster Resilient Society

By incorporating the view of DRR into the rehabilitation and recovery stage after natural disasters occur, JICA aims to realize a more disaster resilient society through recovery and

reconstruction activities. Furthermore, JICA will further enhance the additional value of post-disaster assistance by providing support immediately after disaster and conduct seamless recovery activities.

## 2. For Mainstreaming Disaster Risk Reduction

Mainstreaming Disaster Risk Reduction (DRR) means that: 1) government positions DRR as a priority issue in the policies of the country; 2) a perspective of DRR is to be taken into every development policy and plan; and 3) the amount of investment for DRR is promoted.

JICA has implemented projects in some other development sectors that took DRR into perspective. Also, JICA is in the process of building a system to take into consideration DRR in every development sector from the stage of project formulation in JICA's cooperation.

DRR measures in Japan have contributed not only to protecting human lives but also to mitigating economic damage. With this experience, JICA regards that it is necessary for social and economic development to make prior investment in measures that can obviate disaster damage. JICA has developed a model that numerically verifies the contribution of prior investment in national and regional stable growth. The simulation results show that prior investment for DRR can cause differences in economic growth after natural disasters occur.

## Climate Change

### ● Overview of the Issue

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

#### Case Study

### Philippines: Preparatory Survey for the Flood Risk Management Project for Cagayan de Oro River (FRIMP-CDOR)

## Support for Development of a Flood Management Plan through Project Implementation

**In the Philippines, with frequent storm- and typhoon-related disasters, JICA aims at mitigating and managing flood damage by supporting flood management planning through project implementation in a consistent way.**

### Evaluating Flood Risk to Establish River Boundaries

In December 2011, Tropical Storm Sendong hit the northern part of Mindanao in the Philippines and inflicted enormous damage, causing over 1,000 deaths. The Cagayan de Oro City, with a population of about 600,000 people, lies downstream on the Cagayan de Oro River. Since this city did not have sufficient measures to mitigate flood damage, the inner-city area along with the river was especially devastated.

JICA conducted the technical assistance on the Preparatory Survey to formulate an ODA Loan project through reviewing and updating the previous Master Plan and Feasibility

Study developed by the Government of the Philippines.

The Airborne LiDAR survey was conducted to obtain detailed topographic data for the hydraulic analysis and inundation analysis. Based on the analytical results, the flood risk levels were assessed in reference to the evaluation criteria, which focus on the possibility of evacuation of residents in case of flood. Then, under the basic concept "Not living in dangerous areas," JICA supported establishing the river boundaries, which was the first such project in the Philippines.

The construction of new dikes and floodwalls, improvement of a bridge, and

raising the existing road for evacuation will be conducted in the next stage. Moreover, JICA will provide technical cooperation for nonstructural measures, such as development of flood hazard maps and evacuation plans, and land-use plans within the river areas based on the river boundaries.



The Cagayan de Oro City, with properties concentrated along with the river.

and sustainable economic growth, poverty reduction and human security. Nowadays, phenomena that are considered to be affected by climate change, such as the submersion of coastal lowlands due to rising sea levels, increases in extreme weather events including droughts, torrential rain, and 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 Gas Emissions

In recent years, greenhouse gas emissions from developing countries have been increasing rapidly. In order to minimize the negative impacts 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 various 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 development projects, 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 policy and capacity development, such as development of national greenhouse gas inventories, establishment of energy-saving laws and low-carbon urban development planning.

### 2. To Protect People in Developing Countries from the Negative Impacts of Climate Change

Developing countries, and the poor in particular, are extremely vulnerable to the impacts of climate change.

JICA provides assistance to adaptation measures in accordance with each country’s needs. These include developing capacity in protection against storm and flood damage, coastal protection and embankments, construction of 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

Developed and developing countries have jointly moved toward the establishment of a new international framework to address climate change. Appropriate support from developed countries is becoming increasingly important for developing countries to achieve climate-compatible 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, human resources development, etc., while collaborating not only with national government agencies but also with wider stakeholders, such as local governments and private companies

[ → see the Case Study below].

#### Case Study Thailand: Efforts to Address Climate Change in Thailand

### City-Level Climate Change Master Plan and Human Resources Development in the ASEAN Region

The level of greenhouse gas emissions in Bangkok, Thailand, is higher than in large cities in other countries. Promotion of adaptation to climate change, including flood control, has also been critical. Following is JICA’s efforts on climate change measures in Thailand.

#### For Sustainable Urban Development and Promoting Regional Cooperation

Since March 2013, under the project for Bangkok Master Plan on Climate Change 2013–2023, JICA has supported the Bangkok Metropolitan Administration (BMA) for the development of a climate change master plan targeting five fields: energy, urban transportation, waste and wastewater management, urban greening, and adaptation initiatives.

In cooperation with relevant departments of the BMA, JICA aims to draw up feasible action plans in accordance with governmental policies, as well as to improve institutional

arrangements with various organizations for better implementation of the Master Plan. With the cooperation of Yokohama City, JICA is providing training programs in Japan and also dispatching experts so that practical knowledge and experience in various fields can be shared for sustainable urban development.

Furthermore, in June 2013, JICA started to cooperate with the Thailand Greenhouse Gas Management Organization (TGO) to establish the Climate Change International Technical and Training Center (CITC) under the Southeast Asian Regional Climate Change Mitigation and Adaption Project. The vision of this center is to become a “One-stop technical and training



Participants exchange opinions about training programs at a CITC ASEAN workshop.

center on climate change in the region,” targeting a wide range of participants from central and local governments and private companies in ASEAN countries.

This cooperation is regarded as an important project for promoting the East Asia Knowledge Platform for Low Carbon Growth, advocated by the Japanese government; it aims at human resources development as well as to establish networks among various stakeholders.



Myanmar: rural area around the site of the project Development of Participatory Multiplication and Distribution System for Quality Rice Seeds. (Photo by Shinichi Kuno)

## Director General's Message

## Projects Conducted in Africa Receives High Acclaim at TICAD V

Makoto Kitanaka Director General Rural Development Department



**Agricultural and rural development is a field on which Japan has placed emphasis since international cooperation started 60 years ago. Historically JICA improved irrigation facilities and provided guidance on rice-growing techniques, primarily in Southeast Asian countries. Today, the scope of activity has been expanded from Asia to Africa, and JICA's past experience has created new projects for rural vitalization. In 2013, JICA focused on working cooperatively on the basis of support policies that were adopted at the Fifth Tokyo International Conference on African Development (TICAD V).**

JICA's activities in Africa mainly comprise two pillars. The first is to improve the agricultural productivity of Sub-Saharan African countries through a leading initiative, the Coalition for African Rice Development (CARD), which involves international organizations. JICA aims to double rice production in the region in a decade, by 2018. This project has been proceeding smoothly; it has achieved 20.7 million tons as of 2012, which marks an increase of 48%.

The other pillar is the Smallholder Horticulture Empowerment and Promotion (SHEP), with the goal of empowering women farmers. This project is designed to encourage scheduled production of vegetables with attention to market trends and finally achieve an increase in earnings. In Kenya, this project has achieved a successful outcome; the sales amounts have doubled since the project was initiated in 2010. This effort was highly acclaimed by TICAD V, and JICA received requests to expand SHEP into other African countries. In response to these requests, JICA is proceeding with preparations to do so, such as inviting technical training participants

to Japan.

Looking at Asia, where JICA has provided support for many years, Indonesia, Thailand, and Malaysia have successfully achieved steady economic development. Demands in agriculture have also shifted from the stage of easing hunger to the stage of acquiring safe and reliable high-quality food. Taking advantage of the know-how of private Japanese companies, JICA will assist with establishing a value chain that enables delivery of safe and reliable high-quality agricultural products from producers to consumers.

It is estimated that the Earth's population will be over 9 billion people in 2050, and we will need to secure twice as much food as today. This will increasingly become a global issue from the perspective of food security. In that sense, JICA believes the importance of focusing on fisheries, such as by redefining "aquaculture" as a source of protein that can deal with future population growth. With an eye on global-scale population growth, the Rural Development Department will consider cooperation for future agricultural and rural development.

# Agricultural and Rural Development / Fisheries

## 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 the 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 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.

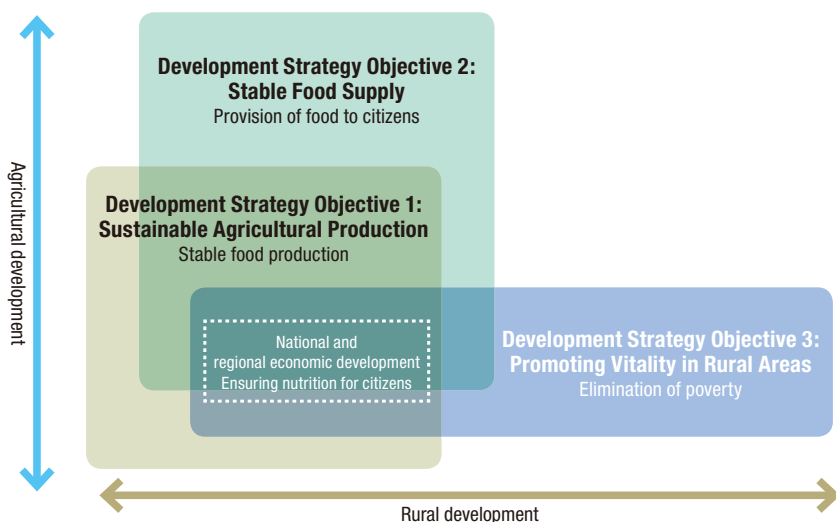
#### Reducing Rural Poverty

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.

Agricultural and Rural Development Assistance Objectives, Philosophy and Goals



## ● 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 [→ see the Case Study on page 93].

In addition, JICA is taking action regarding increasing the resilience of agriculture to climate change. Activities include facilitating sustainable land use, developing second-generation biomass energy that does not compete with food production, establishing stockpiling systems, using agricultural statistics and introducing weather insurance, and promoting the private sector's entry into the market [→ see the Case Study below]. For example, in Myanmar, irrigation systems have been maintained by ODA Loan to improve productivity and profitability of farmers. At the same time, JICA is preparing comprehensive cooperative projects, including developing policies and systems for the promotion of irrigated agriculture, improving production technology of major crops using irrigation water, properly introducing and handling agricultural machines and materials, and facilitating cooperation with the private sector. 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.

#### Case Study Ethiopia: Rural Resilience Enhancement Project

### For Stable Livelihoods in Drought-Resistant Rural Areas

**In 2011 drought hit the region called the Horn of Africa and exerted a serious impact on the people. Humanitarian support has battled drought crises in a repetitive manner in this region. However, JICA is now providing assistance for the end of drought crises by empowering the community.**

#### For Improving the Resilience of Rural Areas

As its first attempt, JICA is conducting a project to introduce Weather Index Insurance. In this insurance system, which serves as a drought countermeasure, insurance payouts will automatically be made to insured farmers when rainfall amounts fall below a certain value.

In this project, the number of insured farming households in 2013 was approximately 1,300, accounting for a little less than 10% of the total number of farmers within the target area. Because the introduction of Weather Index Insurance will hedge the risk of irregular rainfall, this system is expected to encourage farmers to engage in more active farming and eventually improve agricultural production in the overall area.

With regard to support for livestock farmers,

two livestock markets were constructed in the area, and they officially opened in October 2013. The goal of constructing livestock markets is to secure the opportunity for farmers to sell their livestock before the animals suffer from water or feed shortages resulting from drought. These markets allow livestock farmers to overcome drought by obtaining cash and purchasing the grain necessary for daily life. Moreover, after a drought ends, they can also purchase new animals as resources for recovering a livestock herd. In this manner, people can improve their resilience by enduring a drought while having opportunities for early recovery.

In addition, improvement of the livestock markets has also attracted buyers from the capital and neighboring cities to the markets. For livestock farmers, expansion of business opportunities will deter buyers from beating down the price of livestock; consequently such a business expansion is expected to enable farmers to enjoy favorable bargaining and also earn more money than before.



Registration of Weather Insurance for Farmers.

## 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.

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. In order to contribute to food security, 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



Harvesting rice in a project related to the Coalition for African Rice Development (CARD) in Madagascar.

production in line with the strategy of each country. In the CARD first group of 12 countries, rice production increased 48% from 14 million tons in the reference year to 20.7 million tons in 2012.

## 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

### Case Study

#### Palestine: The Project on Improved Extension for Value-Added Agriculture in the Jordan River Rift Valley

### Profitable Agriculture for Palestine

In the Jordan River Rift Valley, Palestine, JICA is providing assistance for small and medium-scaled farmers to enjoy profitable agriculture in light of marketing needs.

#### Introduction of the EVAP Promotion Package

Agriculture is the key industry in the region around the Jordan River Rift Valley in Palestine. However, most of the small and medium-scale farmers have some issues: low levels of technology, a shortage of water resources, and insufficient fertilizer and agrochemicals.

JICA has conducted cooperative projects to ascertain the potential of the region and also to resolve the issues in a consistent way. On the basis of these achievements, JICA initiated the Project on Improved Extension for Value-Added Agriculture in the Jordan River Rift Valley (EVAP). JICA focuses on the improvement of services related to disseminating technology so that small and medium-scaled farmers can carry out agricultural production in light of market needs and increase their profitability.

In this project, a series of approaches to farmers by extension workers was introduced as an EVAP promotion package. Specifically,

this project attempts to form a network by understanding the current status, providing marketing training, and holding business forums for the farmers' group, extension workers, and people involved in the agricultural business. After that, the farmers' group draws up a farming program.

Furthermore, JICA has provided farmers with new technologies for increasing added value and also has accumulated empirical data in order to promote new technologies through business forums and daily communication with farmers.

By encouraging women's participation in the activities and also having farmers analyze the division of labor by gender, JICA facilitates a reduction of the labor load in the agricultural field as well as promoting women's participation in decision-making process.

Two years of cooperation have come to tangible fruition. For example, domestic watermelons that had fallen out of production



Local farmers, extension workers, and JICA experts delighted with a harvest of Palestinian watermelons.

due to a soil-borne virus have started to be marketed for the first time in two decades. The verified effectiveness of grafting techniques has contributed to promoting EVAP, and the governing authority also began assisting farmers with purchasing plants. In addition, since production techniques for quality organic compost have been established, farmers' groups are expecting to expand sales of the compost.

Officials of the Ministry of Agriculture have acclaimed these activities and also indicated a willingness to deploy the EVAP promotion package throughout Palestine.

the livelihood of people. Accomplishing this goal requires going beyond simply raising productivity. For instance, the distribution and sale of food must be improved, the food processing sector energized, export promotion measures strengthened, and agricultural management must also be upgraded to increase non-agricultural income and such.

Furthermore, aid is needed that brings together a diverse range of fields. Local administrative functions must be 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, through improving the processing, distribution and sale of agricultural products [→ see the Case Study on page 39]. Moreover, for post-conflict countries, because agricultural and rural development is often a key component of aid, JICA gives priority to these activities.

For example, in Nepal, a highway connecting Katmandu and the southern region was constructed under a Grant Aid project; this transportation system successfully allows people living along the highway to enjoy better access to markets in urban areas [→ see the Case Study on page 41]. Aiming at creating synergistic effect of such a Japan's tangible support and improving the earnings of people in rural areas, JICA assists with introducing cultivation and collection systems for horticultural crops and also tightening the bond between farmers and private companies. JICA is also engaged in enhancing the administrative system, so that proper support can be provided to farmers cultivating horticultural crops. These efforts are expected to enable farmers to cultivate and sell their horticultural crops based on market information, and eventually revitalize farming communities.

## Fisheries

### ● Overview of the 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 and deterioration of environment, which causes further decrease in valuable fisheries resources, is a major issue in the fishery sector. 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 the livelihoods of all members of the fishing community.

JICA's cooperation in the fishery sector has three main objectives: (1) ensure the stable supply of food to local people, (2) eliminate malnutrition by providing valuable nutrition and (3) 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 landing ports and 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 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 resources 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 [ → see the Case Study below].

### 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 Senegal: Program for Promoting Sustainable Fisheries

### Shifting from a Fishery of Harvest to a Fishery of Protection: Fisheries Resources Management Utilizing Japan’s Experiences

**JICA aims to establish sustainable fisheries through resource-friendly fisheries resources management and development of a value chain based on Japan’s experiences.**

#### Longstanding Support for People in Small-Scaled Fisheries

About 600,000 people or 17% of the entire working population of Senegal are engaged in the fishing industry, and marine products account for 70% of animal protein consumed by the public. In other words, the fishing industry plays a pivotal role in the economy and employment, nutrition intake of the public, and food security in the country. However, about 90% of the fish is provided by people in small-scaled fisheries; thus, this industry is very vulnerable.

For almost four decades since 1976, Japan has supported tangible and intangible aspects of the industry. Support includes infrastructure development of landing ports and markets, provision of Technical Cooperation projects and training programs, and dispatch of Japan Overseas Cooperation Volunteers. Thanks to these efforts, the fishing industry in Senegal today accounts for 13% (approximately ¥40 billion) of the country’s total exports. Octopuses caught on the coast of West Africa are exported from Senegal to Japan. However, in recent years, the catch has been declining with smaller marine products. Even worse, the distribution system has also faced several issues, such as losses after fishing, food sanitation, and preservation of freshness.

Since the late 1990s, JICA has moved forward with Technical Cooperation for fisheries resources management. In the Technical Cooperation Project on the Capacity Building for the Artisanal Fisheries Organisation and the Leaders in Fisheries Villages (2009–2013),

JICA assisted with fisher-driven resource management on the basis of Japan’s traditional co-management approach on fisheries resources. Awareness of resource management among fishers was successfully increased by promoting resource-friendly fisheries, i.e., control over excessive catch and avoiding catching small fish. As for catches of common octopus and thiof (white grouper), JICA set closed season for fishing and also provided special fishing equipment and techniques.

In the Fisheries Resources and Value Chain Development Joint Management Promotion Plan, initiated 2014, efforts will be made to maintain landing ports as well as improving the sanitary conditions and freshness of marine products that are caught by fishers engaged in fisheries resources management. JICA will also work on reducing losses after fishing, improving yield and sales price by increasing added value, and establishing marketing channels. Through establishment of a value chain, JICA will move forward with fisheries resources management by promoting fisheries that secures fishers’ earnings even if their catches are small.



Women and a JICA expert making fish products at a landing port built by Japanese aid. (Photo by Kenshiro Imamura)



Jordan: The Electric Power Training Center, constructed through Japan's cooperation, is providing third country training programs to engineers in Jordan and also from neighboring countries. (Photo by Shinichi Kuno)

## Director General's Message



## Supporting Private Sector-Driven Dynamic Economic Development

Takumi Ueshima Director General Industrial Development and Public Policy Department

**One of the important challenges in the development process in developing countries is how to achieve economic growth driven by a vibrant private sector. The Industrial Development and Public Policy Department is working on the creation of a more attractive business environment in developing countries by effectively combining efforts in three areas: private enterprises development, energy and mining, and governance.**

In the field of governance, the Industrial Development and Public Policy Department is assisting developing countries in the consolidation of basic institutions, such as law and justice, taxation, financial and securities systems, and customs, which will eventually lead to the creation of a better business environment. At the same time, in the field of mining and energy, the department is also providing assistance for power supply, which is indispensable for the operation of enterprises, and mineral resources development in developing countries. In addition, we are supporting the growth and development of individual private enterprises in the aspects of better access to financing, management, and technology. The department's three groups that work in these fields, work in concert, aiming to create a Win-Win situation where such assistance enables developing countries to achieve further inclusive growth through various-size enterprises development, and these countries also evolve into markets favorable to Japanese companies.

The areas of focus in fiscal 2013 were Africa and Myanmar. The rapid growth of Africa has been supported by abundant natural resources. However, for the development of a strong economic foundation that does not rely solely on natural resources, we are supporting not only the activities of private enterprises engaged in fields other than extractive industries, but also diversification of industrial structure through the "One Village, One Product" campaign, for example. In Myanmar, since IT systems have not yet been introduced to

financial institutions that support the real economy, paper ledgers are still commonly used for manual business operations. First of all, we found it necessary to modernize and systemize the financial infrastructure to attract investment. Thus, the department has embarked on introducing the same system used by the Bank of Japan to the Central Bank of Myanmar under the Grant Aid program, as well as to provide technical assistance to formalize their operations.

In addition, another remarkable activity in fiscal 2013 was the commencement of the Human Resources Development Program in Mining Sector, aimed at systematic development of administrative officers and researchers in developing countries who are involved in the field of natural resources. We will assist 200 students from developing countries in studying at graduate schools in Japan and obtaining their academic degrees in a decade. This program is expected to develop human resources familiar with Japan who will actively work in various developing countries with an abundance of natural resources.

The history of ODA has shifted from government-led economic development to the era of private sector-led economic growth. Furthermore, with regard to the funds flowing into developing countries, private funding is much larger than public funds. For developing an environment that enables the private sector to enjoy sound growth, the role of the Industrial Development and Public Policy Department will become more and more important.

# 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 trade and investment promotion, small and medium-sized enterprises (SMEs) 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

The private sector serves as the driving force for economic growth in developing countries. Private companies in various fields, including SMEs, are expected to achieve dynamic growth and development and create higher additional value so that strong and comprehensive economic growth can be realized.

The Yokohama Declaration 2013 that was adopted at the Fifth Tokyo International Conference on African Development (TICAD V) in 2013 focused on the theme “Promoting Private Sector-Led Growth.” Assistance measures by the Japanese government also include Boosting Economic Growth (private sector and trade/investment).

Responding to the increasing importance of developing countries in the world economy, Japanese companies, particularly manufacturers, have actively established operations in developing countries in recent years by finding new markets and opening manufacturing bases in those areas. Through further reinforcement of collaboration with those companies, JICA focuses on realizing more effective development support and contributing to enhancing the mutually beneficial economic relations between Japan and those countries.

### ● Overview of the Issue and JICA Activities

JICA provides support for improving the business environment through establishing public policies and systems and cultivating human resources in developing countries, in order for private companies to facilitate their operations. An extensive interpretation of the term “business environment” usually includes infrastructure and education. However, JICA defines the term as private sector development fields that have a direct connection with business activities. Namely, the fields are: Promoting trade and investment, Promoting SMEs and developing industrial human resources, and Promoting local economies and industries.

#### 1. Promoting Trade and Investment

The field of trade and investment focuses on benefitting from

economic globalization.

#### (1) Promoting Investment

In direct investment in 2012, 58.5% of investment went to emerging and developing countries; thus, developing countries are becoming even more attractive as an investment destination for foreign companies.

Companies interested in foreign investment usually compare the investment conditions of each country to find the most favorable destination. On the other hand, developing countries are willing to make use of direct investment from companies in advanced countries as the driving force for economic development. Therefore, it is necessary for developing countries to realize “improvement of the investment environment,” such as by simplification of investment procedures and resolving barriers to investment. In addition, enhancement of investment promotion functions, including active sharing of investment information, is also a must. JICA dispatches investment promotion advisors mainly to Asian and African countries to link foreign investment with the growth of developing countries. JICA will also actively work on providing technical cooperation for improvement of the related legal systems. In addition to these efforts, JICA is also engaged in improving the investment environment under Program Loans, aimed at reforming and improving the public policies and systems in developing countries.

#### (2) Promoting Trade

Imports and exports of emerging and developing countries account for 40.6% in export value and 38.8% in import value of total global trade in 2012. It is obvious that trade plays an important role in promoting economic growth in developing countries. For furthering trade, it is essential to simplify and facilitate trade-related procedures, including customs, as well as to improve access to foreign markets by companies in developing countries.

JICA provides support for facilitating trade procedures by modernizing customs in Viet Nam and Myanmar. With regard

to improving access to foreign markets, JICA is now supporting functional improvement of the Directorate General for National Export Development, Ministry of Trade in Indonesia.

### (3) Building Business Environments

JICA is providing support related to policies for industry promotion, including trade and investment and legal systems that serve as a basis for business operations. Areas of support include intellectual property systems and standards and conformity assessment systems (standardization, certification, and measurement standards) as an intellectual foundation. As part of governance cooperation, recently JICA also provides support for the development and operation of legal systems that have a direct effect on economic activities, such as enterprise law, competition law, the tax system, and the financial-related legal system. In addition to these efforts, JICA also provides assistance for the development of special economic zones/industrial parks to create a favorable business environment.

Industrial promotion policy is a principal pillar of the national development plan for developing countries. Responding to various situations in each country, JICA helps developing countries draw up their industrial policies. For example, in Ethiopia, JICA assists in developing industrial policies by having industrial policy dialogues with the prime minister and other decision makers.

Along with vitalization of business in developing countries, it becomes important for them to secure intellectual property rights, such as patents and trademarks. JICA is now carrying out some projects to secure intellectual property rights in Indonesia, Viet Nam, and Myanmar. In 2013, JICA also started to provide cooperation to the Central Bank of Myanmar with an immature financial system to support the actual economy, and in Viet Nam, where bad loan problems have arisen.

In recent years, the development of special economic zones/industrial parks is drawing attention. These projects aim at enhancing the attractiveness of developing countries as an investment destination for foreign companies by conducting intensive development of economic infrastructure and providing investing enterprises with preferential treatment and various services. In 2013, JICA provided ODA for infrastructure development of the Thilawa Special Economic Zone in Myanmar, along with assisting in drawing up a special economic zone plan in Mombasa, Kenya [ → see the Case Studies on pages 53 and 104].

## 2. Promoting Small and Medium-Sized Enterprises and Developing Industrial Human Resources

JICA's assistance for SMEs mainly targets (1) establishing policy, systems, and frameworks to promote SMEs and (2) improving the competitiveness of companies.

### (1) Establishment of Policy, Systems, and Frameworks

As there are a vast array of policies and systems required for the promotion of SMEs in developing countries, effective policy development requires basic principles for promoting SMEs and building and fortifying the implementing frameworks to realize these principles.

In fiscal 2013, JICA assisted in drawing up SME promotion policies in Cambodia, as well as providing training programs to government administrators in charge of SME promotion in Myanmar.

### (2) Enhancement of Business Competitiveness

From the point of view of heightening the competitiveness of companies, assistance could be provided addressing management resources within companies: labor, technology,

#### Case Study

#### Mexico: Project for Automotive Supply Chain Development

### Cultivating Mexican Companies in Cooperation with Japanese Automobile Enterprises

**Mexico is now becoming a strategic point for the Japanese automobile industry. JICA is working on Kaizen activities to achieve a Win-Win relationship, in which Mexican industry can further develop and the Japanese automobile industry is also enabled to enhance its competitiveness.**

#### Kaizen Support for Auto Parts Manufacturers

Mexico, a manufacturing base focusing on export to North America, produced about 3 million cars in 2013, becoming eighth in the world, ahead of Thailand. Mexico is a strategic point for the Japanese automobile industry. Consequently, production in 2015 by Japanese auto enterprises, including Nissan, Honda, and Mazda, is estimated to reach over 1.5 million, from 800,000 in 2012. Other Japanese automobile-related companies are also expanding into Mexico one after another.

It is a primary issue for Japanese automobile-related companies to procure auto parts that

meet quality, cost, and delivery deadline requirements. Thus, Mexican auto parts manufacturers are expected to respond to these demands. In 2012, JICA and Japanese parts manufacturers jointly initiated a project for nurturing auto parts companies in Mexico. As of March 2014, the project has supported 15 companies to improve their productivity through Kaizen activities, and produced steady achievement.

JICA will provide Kaizen activities to Mexican companies to realize the Win-Win relationship, where Mexican industry can further develop and the Japanese automobile industry is also enabled to enhance its competitiveness.



Kaizen guidance to Mexican auto parts manufacturers  
(Photo by Kenshiro Imamura)

capital, and information. Because assistance to SMEs in these areas tends to be provided through intermediary public/private support organizations, much of JICA's assistance targets improving the functions of these support organizations.

In fiscal 2013, JICA provided cooperation aimed at strengthening and firmly establishing the support services for SMEs in rural areas of Thailand.

### (3) Developing Industrial Human Resources

Among management resources, in particular, assistance for labor, in other words developing industrial human resources, focuses on measures to boost the competitiveness of companies utilizing Japan's know-how in this area. JICA cooperates with government institutions, educational institutions, and other entities in various countries that provide such support for human resources development. The goal of the cooperation is to enable companies to acquire and improve the know-how necessary for business activities, such as business and production management and manufacturing technology.

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 [ → see the Case Study on page 98]. For example, JICA shares Japanese manufacturing techniques with India and assists in nurturing potential leaders who will play a central role in achieving sustainable development of the manufacturing industry.

JICA is also spreading the use of Kaizen methodologies for quality and productivity improvement, one of the areas of Japan's greatest competency. In consideration of TICAD V, this effort has been remarkable especially in Africa. In addition to Ethiopia, Ghana, and Kenya, JICA is now providing cooperation for private

sector development in Tanzania and Zambia in 2013, pursuing further mutual collaboration in this field.

### (4) Japan Centers for Human Resources Development

JICA is establishing the Japan Centers for Human Resources Development (Japan Centers) as focal points for its efforts in nurturing industrial human resources in developing countries. In addition to the Japan Centers set up in Viet Nam, Laos, Kazakhstan, Uzbekistan, Mongolia, the Kyrgyz Republic, Cambodia, and Ukraine, in fiscal 2013 JICA has added a Japan Center in Myanmar.

Through the Business Programs that form the core of their operations, the Japan Centers nurture human resources that are specialized in Japanese-style management and production management methods. In recent years, alumni reunions actively work on creating networks among local industrial workers. Utilizing the know-how and networks 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 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.

In order to spread the benefits of economic growth widely to local residents, JICA supports industrial development benefitting local areas by effectively utilizing the special characteristics and resources of local areas.

#### Case Study

The Kyrgyz Republic: Community Empowerment Project through Small Business Promotion by One Village One Product (OVOP) Approach in Issyk-Kul region

## Promotion of Resident-centered Business Utilizing Local Resources

**JICA provides support for promoting the local economy and industry led by residents through development, manufacturing, and sale of products utilizing local resources. The products are exported to foreign countries and have brought a change to the lifestyle and awareness, especially of female producers.**

### Developing Overseas Markets

Since 2006, in the Kyrgyz Republic, JICA has supported community empowerment based on the "One Village, One Product" approach<sup>1</sup> and small-scale business promotion activities. Now these efforts are starting to bear fruit. In recent years, producers and producers' associations have been continuously working on the development, quality improvement, and sales expansion of products utilizing local resources (e.g., wool handicrafts, food products that include jam and honey, and commodities such as soap).

In cooperation with Ryohin Keikaku Co., Ltd., running the Muji brand, wool products of the

Kyrgyz Republic were sold in 2011 as Christmas gifts throughout the world. This campaign gave a strong impetus to the activities. There is an increasing awareness of "creating products that will sell well" among producers. Although most of the producers are women who had never been involved in business, they now earn hard cash. The producers are highly motivated by participation in activities outside their villages, the pleasure of enjoying recognition for their products, and promoting their position in the family.

1. Efforts to create world-class products using special local products, so that local vitalization can be realized by residents



Women creating wool handicrafts



Products using local resources

In many countries, such as Kenya, Malawi, the Kyrgyz Republic, and El Salvador, for example, JICA helps the relevant ministries and local administrators create a system that can provide necessary technologies and support for small enterprises and associations that produce processed agricultural products and handicrafts. These projects provide local companies and associations with consultations on various issues such as basic business knowledge (accounting, etc.), exploration and utilization of local resources, improvement of quality and productivity, food sanitation, packaging/design, and marketing/sales promotion. This effort contributes to creating attractive products [→ see the **Case Study on page 99**]. 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 advertising and promotions for targeted tourists and with developing tourism products that make use of the special characteristics of local resources and thus benefit the region [→ see the **Case Study on page 58**]. For promoting the tourism of targeted areas in Jordan and Ethiopia, JICA emphasizes the concept of preserving, displaying and utilizing the tourism resources including nature, culture and ways of life, in a sustainable and unified manner with local people.

## Energy and Mining

Natural resources and energy are not only a risk but an opportunity for developing countries. The key for sophistication of industry in developing countries is to secure stable natural resources and also energy at low cost. In other words, in developing countries with natural resources, the way natural resources are utilized and managed has a great influence on the future of their growth and development. For the international community, including Japan, appropriate supply of natural resources and energy is also a significant issue for economic growth, the global environment, and resources and energy security. JICA is working on energy and mining issues with a focus on contributing to a stable supply of environmentally friendly natural resources and energy at low cost.

### ● Overview of the Issue and JICA Activities

#### 1. Energy

It is estimated that energy consumption by developing countries will expand substantially. At the same time, it is predicted that a large share of energy consumption will inevitably be taken up by fossil fuel, which could be a cause of climate change. While low electrification rate is still a critical issue in developing countries, improving electric power supply takes huge investments. The International Energy Agency (IEA) estimates that non-OECD countries need to invest \$10 trillion in the electric power sector in the period up to 2035. In such a situation, stable securement of low-cost, low-carbon energy is a very important development subject for developing countries to achieve stable social economy and sustainable growth. However, many countries face a lack of necessary techniques, know-how, and funds, and even human resources in charge of policy planning and implementation are limited. Therefore, it is

essential for developing countries to obtain sufficient funds and the cooperation from advanced countries with technologies and accumulated experiences and know-hows. Responding to the issues of the energy and power sector in developing countries, JICA is providing the following assistance, with the concept of “3Ls” policy (i.e., Low-cost, Low-carbon, and Low-risk).

#### (1) Reinforcement and Expansion of the National Grid Utilizing Japan's Technology

Through utilization of Japan's advanced technologies, JICA has for many years contributed to promoting projects that reinforce and develop the national grids of developing countries. In recent years, JICA has provided assistance for establishing an electricity master plan for Myanmar, which recently has faced rapid democratization and economic growth and required huge assistance in improving electric power supply infrastructure. JICA has also assisted in rehabilitation of aging power utilities, reinforcing transmission systems, and improving rural distribution networks. Other assistance by JICA includes 1) promotion of clean coal technology in Indonesia, 2) financial assistance for high-efficiency thermal power plants in South and Central Asia, 3) technical cooperation for introducing pumped-storage hydroelectric power generation in Sri Lanka, Turkey, and other countries, and 4) reinforcement of power transmission and distribution networks in Sub-Saharan African countries. Through financial and technical assistance, JICA continues to support establishing the backbone for electric power facilities in many countries while reviewing the available primary energy sources of each country.

#### (2) Promoting of Low-carbon Power Sources

Japan has one of the world's leading technologies in geothermal power generation, which is renewable energy and stable base-load power sources. Taking full advantage of these advanced Japanese technologies, JICA provides a wide range of support, from the assessment of underground potential to the construction of geothermal plants in Indonesia, African Great Rift Valley countries that include Kenya, and Latin American countries [→ see the **Case Studies on pages 44 and 101**]. JICA will continue to provide and develop comprehensive support for both technical and infrastructural aspects of geothermal power generation with the viewpoint that it is an important approach to be strengthened for the adoption of low-carbon power sources. JICA is also introducing low-carbon power sources to regions such as island countries, which have many limitations on primary energy. This is typically achieved through Grant Aid and Technical Cooperation for developing micro grids and utilizing solar power and small-scale hydro power plants [→ see the **Case Study on page 29**].

#### (3) Pursuing Efficient Use of Energy

JICA has also been promoting energy efficiency (energy conservation) on the demand side in Viet Nam, Bangladesh, and other countries. Financial assistance for reinforcing power transmission and distribution systems and technical cooperation for strengthening operation and maintenance capacity for the systems in developing countries are also provided, where JICA contributes to energy efficiency by reducing the loss rates of the

power supply.

## 2. Mining

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.

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 stage 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. As a result, active cultivation of human resources and employment promotion are necessary in developing countries.

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.

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,

#### Case Study Expansion of Geothermal Development Support

### Backing up Human Resources Development and Funding

**Geothermal power generation is a form of renewable energy with excellent features. Since geothermal development requires enormous costs and advanced technologies, JICA expands support for geothermal development in developing countries.**

Geothermal power generation is clean renewable energy, obtaining electric power by driving a turbine with steam obtained from the earth. The generation has some excellent features, such as low power generating cost in the long term, very low carbon-dioxide emissions, and little power variation due to weather or sunlight. On this account, there are increasing development needs in developing countries with geothermal resources.

However, while the steam development necessary for geothermal power generation requires advanced technologies and enormous cost, the success rate is low—success rates for test drilling is below 50%—and this problem has been an obstacle to development.

Many developing countries have left steam development to the private sector. Yet the risk is too high to be managed by the private sector, and development plans have been suspended in many countries. Under these circumstances, some countries such as Kenya have started to conduct development on their own. Even so, human resources cultivation and funding still remain a major problem.

Japan started its geothermal development in 1919 and has the world’s most advanced steam development technology. JICA emphasizes cultivation of human resources and utilization of Japan’s science and technology that can contribute to reducing development risk. Therefore, JICA dispatches Japanese technical



Kenyan engineers and JICA study team members of the Project for Capacity Strengthening for Geothermal Development

experts to Africa, Latin America, and Indonesia, as well as providing engineers with training programs in Japan. Financial assistance by ODA is also provided for plant construction.

In cooperation with industry and academia, JICA will extend and back up geothermal development support in developing countries.

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 will provide assistance for mine safety and mine environment administrations, as part of environmental measures in the Copper Belt of southern Africa and South American countries.

## **Governance**

The term "Governance" refers to not only administrative activities, but the overall social system in which the public and private sectors are also involved. Governance becomes the basis for growth and development of developing countries. JICA is providing cooperation for various kinds of capacity buildings in the field of legislation, judiciary, administration and finances. Such cooperation is conducted from the perspective of assistance in democratic growth and development in developing countries by sharing universal values, such as freedom, market economy, and rule of law.

### **● Overview of the Issue and JICA Activities**

#### **1. Legal and Judicial Frameworks**

Since 1996, JICA has been providing assistance for establishing and improving the legal framework for a market economy or assistance in restoring legal and judicial frameworks and human resource development in post-conflict countries.

As a new project for 2013, the Project for Capacity Development of Legal, Judicial, and Relevant Sectors was initiated in Myanmar in November. To make the transition to a market economy in Myanmar, JICA provided workshops on the Commercial Arbitration Act, the Intellectual Property Rights Act, the Insolvency Act, and the Companies Act. These workshops were provided to counterparts in Myanmar, such as the Union Attorney General's Office and the Supreme Court of the Union. JICA also carried out workshops on Japan's legal profession cultivation system, the criminal punishment theory, and so forth. These workshops are aimed at improving the legal profession cultivation system of Myanmar.

The development cooperation for legal systems has mainly focused on preparing basic laws. However, in consideration of the policies of the Japanese government, JICA started to assist in preparing legal systems that have a direct link to private sector development. In particular, for the purpose of facilitating the business environment, JICA requested local firms in Japan to conduct surveys on relevant legal systems in Myanmar, Cambodia, and Bangladesh. In the process, JICA analyzed issues on business-related legal systems and examined possible improvement plans, as well as hosting seminars to recommend each government to improve the legal issues. Moreover, seminars on reporting survey results and introducing legal systems were held in Tokyo for private companies interested in investment or expansion into Myanmar.

Responding to the TICAD V initiative, JICA conducted surveys on basic information about criminal justice in French-speaking African countries, where conflict-related human rights violations and impunity have been major concerns. In addition, a regional training program was newly launched. The first program was provided in February 2014 to 25 people from 8 French speaking African countries including Cote d'Ivoire.

Furthermore, the Project for Strengthening Mediation System Phase 2 was set up in Mongolia in April 2013. In light of the previous phase, JICA assisted in introducing a mediation system to Mongolia, and the system actually started in February 2014 at the Courts of First Instance throughout the country. In September 2013, the Project for Strengthening the Capacity of the Court for Expeditious and Reliable Dispute Settlement was initiated in Nepal. In the project, JICA helps the courts improve case management and introduce the mediation system. In Viet Nam, JICA provides support for legal amendments and judicial proceedings improvement in light of the amended constitution established in November 2013. JICA also continues to help Cambodia and Laos draw up and exercise laws and regulations in a structured and consistent way.

#### **2. 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 Viet Nam, JICA initiated the project aimed at capacity-building of the Diet secretariat in 2013, and conducted a seminar to support the enforcement of the new constitution in February 2014. In addition to communalization of the state-run broadcasting station in South Sudan, JICA also provided support for helping local media improve their news report capability in Nepal and Tunisia. Support for improving the election management capability was also provided to Yemen and Maldives, respectively.

#### **3. Public Safety**

In the field of public safety, JICA extends assistance to countries working to establish police forces including Koban



(i.e., police box) that serve the people, such as human resources development (for Indonesia, Timor-Leste and Brazil) [ → see the **Case Study on page 49**] and improvement of fingerprint collection, forensics and other scientific investigation techniques (for the Philippines). In December 2013, JICA conducted surveys on the possibility of Grant Aid (provision of equipment) for strengthening anti-terrorism measures in North African nations (Tunisia, Morocco and Algeria). In March 2014, security-related officials of Tunisia and Morocco were invited to Japan to learn Japan's anti-terrorism measures. Furthermore, targeting multiple countries, JICA also conducts training programs in Japan on major crime issues, such as international terrorist countermeasures, international investigations, and policing drug crimes.

#### 4. Public Administration / Public Financial Management / Finances

Public administration, public financial management, and finances are critical factors for forming a country. Therefore, in the process of planning assistance, it is important to consider not only the state of socioeconomic development in the country, but also thoroughly understand the political and economic background while looking at the reform measures from a medium- to long-term perspective. At the same time, short-term output should not be the goal for the involvement — the projects should be approached on a medium- to long-term basis. To accomplish such a goal, JICA's assistance is steadily moving forward.

##### (1) Public Administration

In the field of public administration, JICA has been engaged in improving the service of the public sector in Bangladesh and Ghana, as well as strengthening the planning capability of local governments in Bhutan, Tanzania, Honduras, Guatemala, and the Dominican Republic that aim to provide beneficial public services. In the case of Bangladesh, JICA is working on improving public services based on the TQM (Total Quality Management) approach, which is now becoming a national movement.

##### (2) Public Financial Management

Public Financial Management (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. In other words, PFM is the key development issue for development planning and the management of public sector in a country. Based on its own Position Paper drawn up in 2012 as a guideline for public financial management, JICA released the following publications in 2013; “*PFM Handbook: How to Assess Public Financial Management (PFM) in Developing Countries*,” “*PFM Handbook: Financial Planning of Pilot Projects on Technical Cooperation*,” and “*Key Principles of JICA's Delivering Effective Technical Assistance in Public Financial Management*.” The efforts in the field are now progressing [ → see the **Case Study below**].

JICA provides continual support to tax and customs administrations. In the field of tax administration, JICA supported the introduction of an Automated Cargo Clearance System in Viet Nam in April 2014, and the same support is now given to Myanmar. In the east, west, and south sub regions of Africa, JICA supports setting up “One Stop Border Posts” to facilitate border crossing. Moreover, JICA extends support to the following areas; development of human resources of the Ministry of Finance (Sri Lanka), performance budget (Indonesia), public investment (Laos, Bangladesh and Malawi), internal audit (Mongolia and Tanzania), and public-private sectors partnership (PPP) (Mongolia).

##### (3) Finances

The financial field is a major part of the “soft infrastructure” that supports private sector development, and the number of cooperation projects is on an upward trend in recent years. Utilizing Japan's experience, in Viet Nam, JICA is supporting the bank's disposal of non-performing loans and reforms of state enterprises related to them. On the other hand, JICA is also providing the central bank with assistance for modernizing the funds payment and securities settlement system, as well as nurturing the inter-bank market and developing the stock exchange system in Myanmar, which is continuing its efforts toward democracy [ → see the **Case Study on page 135**]. Cooperation for the development of capital markets in Mongolia will also start in 2014.

#### Case Study

#### Efforts for Assistance of Public Financial Management

### Release of Handbooks Describing Perspectives and Techniques for Project Implementation

**In 2013, based on past experiences in the field of public financial management, JICA released two handbooks: “*How to Assess Public Financial Management (PFM) in Developing Countries*” and “*Financial Planning of Pilot Projects on Technical Cooperation*.”**

The handbook “*How to Assess Public Financial Management (PFM) in Developing Countries*” carefully describes the significance of public financial management for developing countries and JICA. In light of past project experiences, the handbook explains public financial management as a whole, as well

as each function of the composing elements, such as budget planning, budget preparation, public treasury management, accounting, procurement, financial reporting, and auditing. The information helps consider how public financial management in developing countries should be understood.

Another handbook, “*Financial Planning of Pilot Projects on Technical Cooperation*,” picks up some challenges of financial sustainability in pilot projects conducted under technical cooperation. This handbook discusses the concept of financial planning and techniques in technical cooperation.

The concept of financial planning is introduced in the phase 2 technical cooperation projects on internal auditing that are carried out in Tanzania and Mongolia.

# Public-Private Partnerships

## New Partnerships that Support Social and Economic Growth

It is difficult to meet the capital demands for social and infrastructure development in developing countries with their governments' limited budgets and ODA support from other countries alone. In fact, private sector now accounts for a large proportion of the financial flows entering developing countries from developed countries. The private sector have been expanding its trading and investment activities in developing countries and are focusing on new fields, including Public-Private Partnership (PPP) based infrastructure projects, and BOP/inclusive businesses etc.

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 are making big contributions to solving socioeconomic problems in developing countries.

JICA provides wide-ranging support schemes to produce better developmental results efficiently and effectively through further collaboration between the activities of the private sector.

### ● Private-Sector Investment Finance

#### Economic and Social Development Support in Developing Countries through Partnerships with the Private Sector

Of the Loan Aid assistance provided by JICA, Private-Sector Investment Finance (PSIF) is a scheme supporting development projects in developing countries by Japanese and other countries' private enterprises. Through the provision of loans and equity, PSIF supports businesses with positive impacts on socioeconomic development in developing countries, such as PPP infrastructure projects, BOP businesses, and business expansions of SMEs abroad. Furthermore, by introducing technologies and know-how of private companies and coordinating with local governments, JICA makes efforts to reduce various risks associated with projects and to further increase development outcomes through coordination

with other JICA schemes, such as Technical Cooperation etc.

In fiscal 2013, following the full resumption of Private-Sector Investment Finance, JICA concluded a loan agreement regarding the Project on Domestic Human Resources Development in Indonesia, which is the first overseas investment project in Indonesia. In April 2014, JICA also concluded a joint-venture agreement for the development project on Myanmar's first special economic zone [→ see the Case Study below].

### ● Preparatory Survey for PPP Infrastructure Projects Public-Private Partnerships to Address Infrastructure Projects in Developing Countries

In recent years, there has been a growing trend in developing countries toward incorporating the expertise of the private sector into infrastructure 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 also provides a survey scheme for the formulation of PPP infrastructure projects that are intended to be carried out under the Private-Sector Investment Finance or Japanese ODA Loan assistance.

This scheme is designed to discover and establish favorable PPP infrastructure projects at the upstream stage, based on the cooperation between the public and private sectors. JICA entrusts necessary surveys to private companies that have submitted excellent proposals. This system is implemented in accordance with the Japan Revitalization Strategy, the Infrastructure Systems Export Strategy, the Strategy on Global Health Diplomacy, and other policies.

Eleven proposals were selected from two calls for proposals in fiscal 2013. These proposals include projects to construct extensive infrastructure and power projects, utilization of smart-

#### Case Study

### Myanmar: Private-Sector Investment Finance; The Thilawa Special Economic Zone (Class-A Area) Development Project

#### Supporting the Development of Myanmar's First Special Economic Zone (SEZ)

On April 23, 2014, JICA concluded a joint venture agreement regarding the development project for Myanmar's first special economic zone, which will be established in Myanmar as the first project after the resumption of Private-Sector Investment Finance. In this project, JICA will also finance MJ Thilawa Development Ltd., and the financing will be used for the development of an industrial park and sales and operation businesses. This project covers approximately 400 hectares of the early development area in the Thilawa SEZ near Yangon, Myanmar.

Under the Thein Sein administration, Myanmar is making rapid progress toward democratization and a market economy.

Due to focusing on attracting foreign direct investment, the Myanmar government is actively working not only on amending laws related to investment but also on the development of SEZs. In particular, the Thilawa SEZ, located in the Yangon metropolitan area, has some advantages, such as a sufficient labor supply and better access to markets. Therefore, the government has expressed its intention to promote its development in a quick and preferential manner.

Japanese companies are highly interested in Myanmar, and they are now involved in intense competition with firms from other countries for the market of Myanmar. On the other hand, despite their interest in investment in Myanmar,

improvement of the investment environment has been a major issue in the country, since many foreign companies are concerned not only about incomplete infrastructure, such as electricity, but also non-fully developed economy-related legal system.

This project will be the Myanmar's first large-scale SEZ development. To carry out the project, it is necessary for the Project Developer to receive various forms of support from the Myanmar government in both hard and soft aspects. In addition to financial aid through capital injection, JICA is expected to join the project as an investor and also play a role in facilitating coordination between the developer and the Myanmar government.

Rendering of the Thilawa Special Economic Zone (SEZ)



technology, a wind-power generation project that is expected to contribute to climate change measures, projects in new fields that include a hospital development project that responds to medical needs of people in the community, and water-supply improvement projects in cooperation with Japanese local governments. Through these projects, it is expected that the excellent technologies and know-how of efficient service delivery by Japanese companies will be disseminated internationally.

However, there are many challenges related to PPP infrastructure projects in Asian countries. These challenges include difficulties in securing project viability, insufficient recognition of proper role-sharing and risk allocation (lack of host government support) among the public and private sectors, and inauguration risk due to factors such as delays in construction of related facilities. Therefore, not only providing support for realization and establishment of favorable projects at the upstream stage, JICA is also promoting comprehensive efforts for crystallizing PPP projects by enlightening counterpart country officers on the PPP system, assisting introduction of appropriate PPP policies and institutions, and strengthening implementation capacities [ → see the Case Study on page 23].

### ● Preparatory Surveys for BOP Business Promotion

#### A New Approach for Enhancing Development Impact in Partnership with Private Businesses

BOP/Inclusive Business is a business model aimed at finding new market opportunities by targeting the low-income segment of the population (i.e. the Base Of the Pyramid), which is defined as the populace with an income below \$3,000 per year based on purchasing power parity, as consumers, employers, or business partners. BOP business is also in the spotlight as a business model that can contribute to solving socio-developmental issues in developing countries through business activities.

JICA entrusts surveys on development of business models, project planning, and ideas for collaboration with JICA projects, to private companies that have made excellent BOP business proposals. Twenty-one proposals were selected from two calls for proposals in fiscal 2013. Of the completed surveys to date, seven proposals have already started as of the end of 2013. At the same time, some collaborative approaches with JICA projects have also been realized in various forms [ → see the Case Study below].

JICA also conducted the study with the following three objectives: (1) analyze cases of JICA BOP surveys and identify key success factors in BOP businesses; (2) introduce an assessment framework to measure developmental effects through BOP businesses; and (3) define measures to address issues associated with BOP business financing. For dissemination and further improvement of JICA's assistance, open seminars were held to share the study results.

### ● Collaboration Program with the Private Sector for Disseminating Japanese Technology

#### Boosting the Dissemination of "Japanese Model" that Contributes to the Growth of Developing Countries

The dissemination of "Japanese Model," with advanced high competitiveness, is regarded as a priority issue in some policies advocated by the Japanese government, such as the "Japan Revitalization Strategy" and the "Infrastructure Systems Export Strategy." As an effort to solve technology issues in developing countries and boost the dissemination of "Japanese Model," JICA initiated a new program titled "Collaboration Program with the Private Sector for Disseminating Japanese Technology for the Social and Economic Development of Developing Countries" in fiscal 2013.

This program aims to facilitate the understanding of excellent products, technologies, and systems of Japanese companies as well as to consider the possibility of applying them in developing countries. In this program, training sessions in Japan or counterpart countries will be provided primarily for government officials from developing countries. By soliciting project proposals from private companies, JICA bears the expenses up to ¥20 million for projects selected. Subsequently, the companies will take the initiative to provide training programs or seminars.

There were 71 proposals in the first call for proposals in August 2013, and 14 were selected. These proposals include not only projects regarding overseas expansion of individual products or technologies but also Japan's distinctive systems, such as its postal service and dietitian licensing. In addition, some projects were related to international deployment of complex systems such as Intelligent Transport Systems (ITS) and disaster management information system.

#### Case Study

### Uganda: BOP Business Promotion; Saraya Co. Ltd., Creating a New Business Model for Alcohol Sanitizing Products

#### From the Hand-Washing Project to a Local Production for Local Consumption Business

Saraya, a company based in Osaka, joined UNESCO's Hand-Washing Project for One Million People in Uganda in 2010. By selling its alcohol sanitizing products, Saraya has carried out this project in Uganda, where water supply is scarce and the importance of hand-washing is barely

recognized even at medical institutions.

Since January 2012, when sanitizers were fully introduced, Saraya has been engaged in various approaches in model hospitals in the country, utilizing the Preparatory Survey for BOP Business Promotion system. These approaches include educational activities in the hospitals, surveys on product acceptance, establishment of a business model that manages the collection of local low-level materials through production

and sale as well as development of business planning.

In one of the model hospitals for educational activity, Japan Overseas Cooperation Volunteers (JOCVs) have included hand-washing in an activity called 5S: seiri (arrangement), seiton (organization), seisou (cleaning), seiketsu (cleanliness), and shitsuke (bringing up), which promotes order and zero-waste. The pilot project conducted by Saraya contributed to an educational and promotional activity that facilitates infection control measures in cooperation with JOCVs.



A nurse sanitizing her hands before examining patients in Uganda

# Partnership with Japanese Private Sector

## Support for Japanese Small and Medium Enterprises (SMEs) Overseas Business Development

### ● JICA's Assistance Utilizing Private-Sector Technologies

In recent years, Japanese SMEs have been actively involved in overseas business development, and Japanese government revised the Framework for Supporting Japanese SMEs in Overseas Business in March 2012 where JICA became a member of the all-Japan support system for overseas business development of SMEs. Since then, JICA initiated programs for supporting overseas expansion of SMEs, and has supported over 100 companies under these projects by the end of fiscal 2013.

In fiscal 2013, the Ministry of Foreign Affairs continued conducting the survey activities (Needs Survey and Feasibility Study with the Private Sector for Utilizing Japanese Technologies in ODA Project) with JICA that started in fiscal 2012. Using fiscal 2012 supplementary budget and fiscal 2013 initial budget, JICA also initiated a new program to enhance the effectiveness of SME technologies with partner countries through verification activities. This program is aimed at SMEs that already confirmed the possible use of their products and technologies in the partner countries.

Along with the survey programs, JICA hosted about 90 seminars towards Japanese SMEs throughout Japan in fiscal 2013, in order to reach new companies in which over 5,000 participants joined the seminars. Moreover, in January 2014, JICA consolidated programs for SMEs into the Domestic Strategy and Partnership Department in order to make the organizational structure user-friendly for SMEs. This organizational change facilitated the cooperation of the surveys with other programs within JICA such as training programs in Japan for government officials from developing countries, as well as with partnership

programs conducted jointly with Japanese local governments, NGOs, and universities. JICA will continue to strengthen the role of domestic offices within Japan in order to establish a system to respond to the needs of SMEs in Japan.

### ● Needs Survey and Feasibility Study with the Private Sector for Utilizing Japanese Technologies in ODA Projects under the Governmental Commission on the Projects for ODA Overseas Economic Cooperation Considering the Possibility of Utilizing Private-Sector Technologies in ODA

In fiscal 2013 Needs Survey, 2 out of 11 proposals were selected and conducted (competitive rate of 5.5); and Feasibility Study with the Private Sector for Utilizing Japanese Technologies in ODA Project selected 49 proposals from 234 applications (competitive rate of 4.8). The entrusted companies were engaged in network building and information gathering necessary to conduct overseas development programs, in order to analyze the potential use of these products and technologies in Japan's ODA projects.

In addition to surveys under commissioned projects, some entrusted companies have already showed tangible results after the surveys. One year after the surveys, nearly 30% of the companies have created new employment, and 20% of the companies have contributed to the human resource development of their partner countries. This result shows the development impact toward the partner countries. Also, some companies succeeded in business development in partner countries. A year after the survey, 30% of the companies commenced new

#### Case Study

#### Viet Nam: The Feasibility Study Concerning Improvement of Neonatal Healthcare through Introducing Inspecting Equipment for Neonatal Jaundice

### The Goal of Early Recognition of Neonatal Jaundice and a Decrease of Mortality Rate

An SME based in Kawaguchi City, Saitama which manufactures diagnostic equipment for neonatal jaundice carried out a survey in Hòa Bình Province, Viet Nam.

#### Initiation of Test Production for Establishment of Overseas Manufacturing Base

Jaundice, a symptom of increasing bilirubin in the blood, causes nerve damage or delayed effect on the brain if the patient is left untreated; in the worst cases, this disease can result in death.

The product proposed by Japan in this survey is an inexpensive instrument for measuring the total level of bilirubin, which is responsible for jaundice, in the blood. This product was developed by APEL Co. Ltd. in Kawaguchi City. In Viet Nam, health disparities between urban and rural areas have been an issue, and



A measuring instrument to diagnose neonatal jaundice (Photo: APEL Co. Ltd.)



A training seminar to demonstrate the product to doctors and nurses at local hospitals

diagnosis of jaundice is no exception. Early recognition of jaundice will become available by introducing this product to rural areas where diagnostic devices for jaundice are not common; moreover, this approach is expected to contribute to reducing the neonatal mortality rate.

Utilizing the relationship with the Vietnamese government that was built by JICA through longstanding cooperation, this survey developed a relationship with the Ministry of

Health and local hospitals, as well as examining the situation of neonatal jaundice treatment in Viet Nam. APEL demonstrated the product at several medical institutions introduced by the Ministry of Health. The company also had a opportunity to introduce the features of their product to local doctors and nurses.

This company is now taking the next step toward overseas expansion by initiating test production for the establishment of self-funded manufacturing bases in the region.

business transactions, 20% opened overseas offices, and 10% started overseas production [ → see the graph on page 107].

Specific examples include test production started by a company which conducted surveys in Viet Nam to establish a overseas manufacturing base [ → see the Case Study on page 106], and a company succeeded in the sales of plastic oilification apparatuses from recycling centers in Koror, Palau, contributing to issues related to fuel shortages and waste disposal in island countries.

**● Verification Survey with the Private Sector for Disseminating Japanese Technologies**

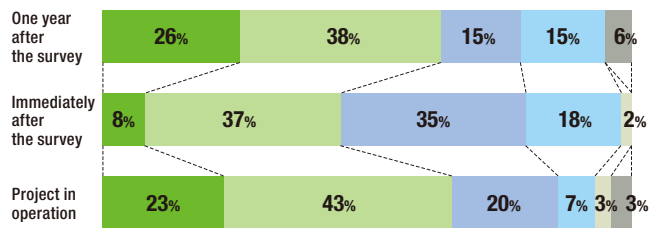
The surveys, based on proposals from Japanese SMEs are intended to consider the dissemination methods (ODA projects and business development) of products and technologies of SMEs. These surveys are conducted through verification activities that enhance their compatibility with partner countries, so that the products and technologies will be utilized to solve socio-economic issues in developing countries. JICA initiated these surveys under fiscal 2012 supplementary budget, and 37 surveys have been implemented as of April 2014.

For example, through these surveys, water purification systems made by a Japanese SME were introduced to regions where access to safe drinking water has been a major issue. As a result, this effort enabled the delivery of safe drinking water to the people of the community. In this manner, these surveys have contributed to resolving problems in developing countries.

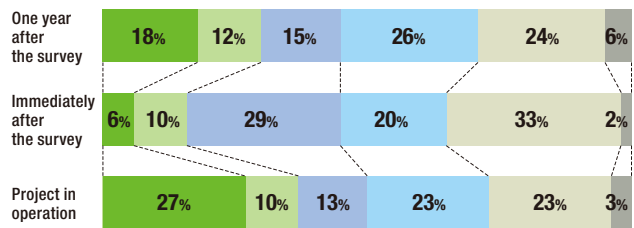
Some surveys have also come to fruition for business development. Since these surveys have allowed the companies to clarify their business plans, some companies set up self-funded factories, and some have also become business partners of contractors that deal with public works projects commissioned by the governments of partner countries.

**Business Expansion Status after Implementation of JICA Projects**

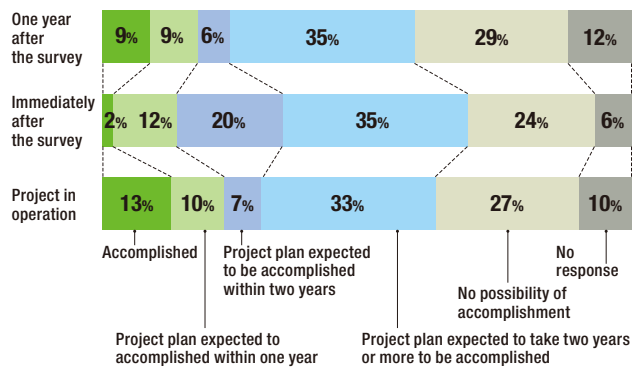
**Securing new overseas business partners**



**Setting up overseas offices and representative offices**



**Commencement of overseas production**



Note: Due to rounding, the numbers may not total 100%.  
Source: Results of the Questionnaire on ODA-Driven Overseas Expansion Projects of SMEs, conducted by JICA

Concrete Initiatives  
Other Activities and Initiatives

**Case Study**

**India: Verification Survey with the Private Sector for Disseminating Japanese Technologies for Reflecting the Image of Industrial Furnace Inside of National Steel Plant and National Coal Thermal Power Plant to Improve Combustion Efficiency by the Heat Resistant Camera System**

**SME Supports Power-Outage Reduction and Energy Saving**

Through JICA's verification survey scheme, an SME joint-venture group based in Koto Ward, Tokyo, aims at improving energy efficiency of industrial furnaces in India by utilizing a heat-resistant camera which can withstand heat of over 1,200 degrees Celsius.

The electricity and steel industries, which are the key industries in India, are highly energy consuming, and also emit a vast amount of greenhouse gas (GHG). These industries are required to reduce GHG emissions by improving energy efficiency. Also, the electricity industry is required to provide stable electricity by improving power generation efficiency.

During this survey, heat-resistant cameras are installed inside the furnace of a steel plant and inside the boiler of a coal thermal plant in India. The highly heat-resistant cameras enable to visually check the conditions inside the furnace and boiler without halting operations, which leads to appropriate maintenance of

the facilities. Consequently, it is expected that the energy efficiency and power generation efficiency will improve, contributing to stable electricity supply and reduced GHG emissions.

The design, production, and installation of the heat-resistant cameras are done by an SME joint-venture group consisting of Security Japan Co. Ltd. and Ogawa Seiki Co. Ltd. The group provides technical guidance on the use of the camera, and examines the impact on improving energy efficiency.

While achieving rapid economic development in recent years, India faces chronic shortage of electricity and frequent power outages. Dissemination of this product is expected to



Installing the heat-resistant camera inside the boiler (Photo Credit: Security Japan Co. Ltd.)

contribute towards solving the issue.

The heat-resistant camera can also be installed at other industrial furnaces or thermal power plants in India, and this survey is expected to effectively promote its dissemination.

# 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 2013, a total of 1,081 people were sent overseas, with a cumulative total of 38,980 people dispatched



A JOCV (instructor) in Uganda, providing computer training at a secondary school. A curious expression on the students’ faces is impressive.

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. They have a strong desire to participate in cooperative activities in developing countries utilizing their

#### Case Study

#### Utilization of Overseas Volunteering Program in Collaboration with Private Sector

### Contribution of Corporate Human Resources to Local Revitalization in Thailand and Viet Nam through Restaurant Industry

**A restaurant company based in Nagoya sent an employee to Thailand and Viet Nam respectively for a year under the JICA’s “Overseas Volunteering Program in Collaboration with Private Sector” that aims at cultivating human resources specialized in overseas expansion. The two volunteers demonstrated their skills and provided support for the restaurant industry, such as business management and so forth.**

Mr. Honma, who was sent to Thailand from Sagami Chain Co. Ltd., was engaged in encouraging the historical market of Theppharat

to become a tourist town. He made an active contribution to the town, such as translation of sightseeing brochures and introduction of Japanese foods. In particular, his efforts finally made considerable achievements in attracting Japanese tourists, by creating Japanese pamphlet and teaching Japanese to local employees.

In addition, Mr. Honma was enthusiastic about teaching on how to make Japanese foods, along with learning the concept of Japanese and Thai

foods. “My volunteering experience made me find that action with a strong will is the only way to make a beneficial influence on people. I also learned the importance of showing flexibility in accordance with circumstances,” says Mr. Honma.

Mr. Honma is now working as the manager of a chain store opened in Thailand by the Sagami Chain Co. Ltd. As a goal in the future, he mentions, “I would like to encourage the further development of companies from an international point of view, so that I can contribute to job creation, economic development, and poverty reduction in both Japan and developing countries.”

In this way, the Overseas Volunteering Program in Collaboration with Private Sector has made international contributions to developing countries, as well as being recognized as an excellent program that cultivates global human resources. Established in 2012, this program has dispatched 14 volunteers and made agreements with 47 companies to dispatch their employees, as of the end of 2013.



Mr. Honma teaching Japanese to local children

solid experiences, including specialized knowledge and technologies, cultivated over long years.

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 2013, 268 people were sent overseas. To date, a total of 5,406 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.

### ● 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 has been confirmed as of 2013, the number of local government authorities and boards of education that have special employment quotas or preferential treatment for returned volunteers has increased to 58 local governments/educational boards.



A senior volunteer in Pohnpei Campus, College of Micronesia (Crops and livestock products processing), disseminating hygienic processing and preservation methods for agricultural products to the public (Photo by Miki Tokairin)

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.”

#### Case Study

### Cooperative Support for Reconstruction from the Great East Japan Earthquake by the Reconstruction Agency, JICA and JOCA

## JOCV's experiences greatly contribute to earthquake disaster reconstruction

**The enormous earthquake tremendously wrecked and damaged East Japan. Former JOCVs started to work as volunteers in the devastated areas immediately after the earthquake struck and they were expected to cope with deficient of human resources in reconstruction. In cooperation with the Reconstruction Agency, JICA and Japan Overseas Cooperative Association (JOCA), those with experience as JOCVs are working as “Reconstruction Agency Municipal Support Staff” in the devastated areas. They are engaged in reconstruction by providing their expertise, such as civil engineering, construction and education.**

### Exercise of communication and coordination skills

Former JOCVs have experience of living under one roof with local people in other countries and also working together closely with them in circumstances with different languages or customs. Their experience-based communication and coordination skills made great contributions to the reconstruction. Consequently, former JOCVs were expected to cope with deficient of human resources in reconstruction.

To respond to such an expectation, a cooperation agreement was concluded on January 31, 2013 among the Reconstruction Agency, JICA and JOCA which is organized by former

JOCVs. In the agreement, coordinating officers were allocated to reconstruction offices at the prefectures, in order to survey the needs of devastated areas. At the same time, the Reconstruction Agency employed former JOCVs as fixed-term “Reconstruction Agency Municipal Support Staff.”

On January 17, 2013, one former JOCV was assigned to the reconstruction office of Miyagi Prefecture as the first coordination officer. From March 1, 2013, three

additional former JOCVs were allocated to Onagawa town and Kesenuma city of Miyagi Prefecture.

As of March 31, 2014, the reconstruction offices in each prefecture have two coordinating officers, respectively. 80 former JOCVs in total are engaged in the devastated prefectures as follows: 15 in Fukushima, 25 in Miyagi, 34 in Iwate and coordinating officers in each prefecture.



Observing the health condition of mother and baby, by using her volunteer experience as a midwife in Laos

# Citizen Participatory Cooperation

## Making International Cooperation Part of Japanese Culture

Citizen participation in international cooperation takes a variety of forms, including participation in the activities of NGOs and other civic groups as well as participation in JICA's ODA projects, such as JICA's volunteer programs and Technical Cooperation. JICA refers to activities based on the initiative of civic groups or the volunteer spirit of individuals as Citizen 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 enhances the cooperation effect by diversifying approaches for responding to critical issues in developing countries, and it also makes Japanese society widely aware of the circumstances of developing countries, more familiar with ODA, and more engaged in international cooperation activities. The Citizen Participatory Cooperation framework is also expected to facilitate the revitalization of Japanese communities and, moreover, make international cooperation "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. See page 108 for more information about volunteer programs and Partnerships with NGOs and Other Organizations [→ page 112] regarding the JICA Partnership Program and support programs for NGOs.

### ● Using Japan's Domestic Offices as International Hubs

JICA has 14 offices in Japan. Many domestic institutions have visiting programs and undertake activities focused on promoting understandings of international cooperation and providing opportunities for participation in various related programs throughout Japan. Additionally, JICA's international cooperation promotion officers at local government entities nationwide, who play the role as liaisons linking JICA with local communities, hold events or seminars and also are available for consultation regarding the series of international cooperation programs, especially citizen participatory cooperation.

At the JICA Global Plaza in Ichigaya, Tokyo, and the Nagoya Global Plaza in Nagoya City, Aichi Prefecture, people with abundant experiences in international cooperation and global issues serve as Global Concierges and lead visitors to exhibitions that encourage seeing, listening, touching, and thinking. Through these exhibitions, with intelligible explanation, visitors can virtually learn and experience various conditions in developing countries and become aware of global issues faced by people in those regions of the world. Thus, there are an increasing number of schools that choose these sensory exhibitions as a school-trip destination. Global Plazas feature on-site cafés that sell fair-trade commodities and allow visitors to enjoy international cuisines; 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



Nagoya Global Plaza

such activities. In 2013, JICA Global Plaza broke the 1.07 million mark in total visitors, while there were about 340,000 visitors in total to the Nagoya Global Plaza. [→ see the Column]

### ● Efforts to Promote Understanding about International Cooperation

#### Programs for Supporting Development Education

Taking advantage of having domestic and overseas bases for international cooperation, JICA supports development education programs at educational forums in partnership with NGOs, local governments, and schools. The aim is to deepen the understandings of issues in developing countries and enhance knowledge of international cooperation activities, including civic activities.

For children and students, the International Cooperation Lecture, held approximately 2,000 times per year, mainly deploys former Japan Overseas Cooperation Volunteers as lecturers in schools. There is also an Essay Contest on International Cooperation for Junior and Senior High School Students, an essay-writing competition that receives more than 70,000 total applicants per year, for essays on themes related to international cooperation.

#### Visitors to JICA Global Plaza Exceed One Million

JICA Global Plaza was established in April 2006 as a base for promotion of civic international cooperation. Having many users, the plaza plays a role as a place to gain better knowledge and understanding of international cooperation and also to provide communication, interaction, and training opportunities. In October 2013, seven and a half years after its establishment, the plaza reached one million visitors. In celebration of this achievement, in the presence of special adviser Sadako Ogata, JICA held a ceremony with first-year students of Gunma Prefectural Kiryu Girls High School on a field trip.







International Cooperation Lecture

For teachers, the Study Tour Program for Teachers allows teachers to observe the actual conditions in developing countries and then put their experiences into practice in their classes once they have returned to Japan. JICA provides about 20 courses per year and about 170 teachers participate in the program every year. In March 2014, JICA provided 25 teachers with the first Meeting on Sharing Practices, intended to follow up with teachers who are actively involved in development education after they return from the Study Tour Program for Teachers. JICA also holds the Training Program for Development Education Leaders, designed to provide methods and case examples regarding development education, as well as creating related educational materials. [ → see the Column]

### ● For Development of Global Human Resources

Along with promoting prioritization of development education in school education, JICA is also engaged in forging collaboration with the Ministry of Education, Culture, Sports, Science and Technology (MEXT) as well as the prefectural boards of education. In addition to this, JICA is also working on correlating school curriculum guidelines with development education in order to gain an understanding from officials involved in educational administration. From December 2011 to March 2014, JICA Global Plaza and the National Institute for Educational Policy Research jointly carried out a project titled Comparative Study on International Education for the Global Age. This project was intended to seek ideas for Japan's future education curriculum and international education by conducting a trend survey and comparative analysis on education curricula and international-education systems in other countries. For future revision of education curricula, MEXT is now considering "21st century competencies," which are composed of basic literacy skills, collaborative thinking and problem solving abilities, and practical



A seminar to report on Comparative Study on International Education for the Global Age

abilities. With regard to these skills and abilities, the results of the survey show that development education or international-understanding education will be effective for acquisition of collaborative thinking and problem solving abilities and practical abilities.

In June 2012, a proposal titled Strategy for Developing Global Human Resources was advocated by the Council on Promotion of Human Resource for Globalization Development, chaired by the Chief Cabinet Secretary. As an activity in light of the strategy, JICA is providing the Field Study Program for College Students on International Cooperation in order for undergraduate students to acquire a global perspective and skills to identify and resolve problems. In 2013, JICA provided 44 college students with international cooperation field-survey exercises in Viet Nam and Laos as well as prior and subsequent training programs in Japan.

### ● For Practice and Promotion of Development Education at Schools

In order for teachers to carry out development education, it is also important to gain understandings from those involved in educational administration, including prefectural boards of education. On this account, JICA is providing educational supervisors with Study Tour Program for officials involved in educational administration. Along with developing partnerships with the education centers of local governments, JICA affiliates sometimes deliver lectures at teacher-training events conducted by local governments for the purpose of facilitating the understandings of JICA projects and developing countries. In fiscal 2013, following Saitama and Gunma prefectures, the Global Plaza started to lend its showpieces to the Niigata Prefectural Education Center for exhibition. Not only have public exhibitions at each center received favorable reviews, they are also popular with students visiting the center through school programs on field trips. In an induction training course for newly hired teachers in Saitama Prefecture, all participants visit the exhibition.

#### Possibility of Development Education in Special-Needs Schools

Ms. Kana Shimizu, who was a teacher at Gunma Prefectural Haruna Special-Needs School and is now working at Takasaki City Tsukasawa Junior High School, visited Bhutan in 2012 on the Study Tour Program for Teachers. She created a class featuring Bhutan with the theme "All are different, and all are good." In the JICA Global Education Contest of 2013, Ms. Shimizu received high praise for her class, which was well designed to encourage students to change their awareness and actions; as a result, she won the JICA Global Plaza Director's Prize.

In addition, special-needs education teachers who have visited the training program set up a special-needs education team, Team Tokushi (literally meaning "special needs") about four years ago, and they are continuously working on research and practical activities.



"Development education enables broadening students' world and also accelerates their spiritual growth," says Ms. Shimizu.

# Partnerships with NGOs and Other Organizations

## Collaboration with Diverse Actors in 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 Millennium Development Goals (MDGs).

In order for more people to become interested in international cooperation and also obtain opportunities to get involved in developmental challenges, JICA has been promoting “civic participation” through providing assistance, cooperation, and dialogue for NGOs, local governments, universities, and private sector entities.

### ● 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, local government entities, universities, and private companies. 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 2013, JICA implemented 250 JPP projects in more than 45 countries.

JPP projects consist of three schemes: the partner type, in which projects are carried out by organizations with a certain level of experience in developing countries; the support type, in which projects are carried out by organizations with less experience in developing countries; and the local government type, in which local government entities play a central role and utilize the know-how accumulated in their localities.

In fiscal 2013, JICA developed a system for the Special Category of Local Economy Revitalization for local governments and also smoothly conducted related projects under the fiscal 2012 supplementary budget, in light of certain relevant policies of the Japanese government (e.g., the Japan Revitalization Strategy, the Economic Measures for Realization of Virtuous Cycles, etc.).

### ● NGO-JICA Japan Desk

#### Supporting the Activities of Japanese NGOs

JICA has NGO-JICA Japan Desks in 20 countries to support the activities of Japanese NGOs operating in developing countries. These desks offer consultation and information on various matters, 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, JICA provides a variety of support programs. These include Project Cycle Management (PCM) method training; training



Viet Nam Farmers' Field School, part of the JICA Partnership Program titled the Project on Production and Marketing Capacity Improvement for Sustainable Agriculture, Farmer Empowerment, Rice Improvement, and Cleaner Environment, conducted by the Agro-Environmental Engineering Laboratory at the Department of International Studies, Graduate School of Frontier Sciences, University of Tokyo.

for organizational strengthening through human resources development; dispatching advisors with special expertise; and training for quick response to regional NGO-specific issues. In fiscal 2013, the following programs were implemented.

- Project management basic seminar utilizing the PCM method for individuals in charge of international cooperation; 376 participants
- Training for organizational strengthening through human resources development for NGOs; 6 participants
- Dispatch of domestic advisors for NGO organizational strengthening; dispatched to 10 organizations
- Dispatch of overseas advisors for NGO organizational strengthening; dispatched to 3 organizations
- NGO human resources training and Regional NGO-Proposed training; conducted 3 training events

### ● NGO-JICA Dialogue Meeting

#### Promoting Equal Partnerships

JICA emphasizes the importance of dialogue with 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 and improve health care, education, and the environment of developing countries. In fiscal 2013 the fund supported eight projects.

## Case Study JICA Partnership Program

## World Cities Benefitting from the Lessons of Earthquake Disaster Reconstruction and Regional Disaster Prevention by Local Residents

### Indonesia: Community-Based Mutual Reconstruction Acceleration Program by Utilization of Local Resources in Banda Aceh City and Higashimatsushima City

JICA is promoting the reconstruction of Aceh, Indonesia, which suffered damage from the Indian Ocean Tsunami triggered by the large-scale earthquake off the coast of Sumatra in 2004. Banda Aceh, the capital of Aceh Province, has been receiving reconstruction assistance from Higashimatsushima Organization for Progress and Economy, Education, Energy (HOPE) in cooperation with Higashimatsushima City in Miyagi Prefecture, a city that was affected by the Great East Japan Earthquake. JICA is providing assistance not only to Banda Aceh but also to the reconstruction support of Higashimatsushima City.

To support the reconstruction of Banda Aceh, Higashimatsushima City received two training participants from Aceh for a period of one year from March 2013 in order to enhance the friendly relations that started after the Great East Japan Earthquake occurred. This training program allowed Aceh to find new issues on reconstruction. On the other hand, Higashimatsushima City marked the fourth year since its reconstruction began. Under the JICA Partnership Program project by JICA, these cities have started mutual cooperation since December 2013 to jointly cope with their common issues and also promote recovery from the tsunami disaster.

Through the exchange of human resources and ideas, these cities are now developing an environmentally friendly city that can withstand natural disasters. At the same time, they are also creating a comprehensive model regarding

community business and administrative functions. These plans are expected to be disseminated widely among the public. In 2014, Banda Aceh will utilize tsunami escape buildings in the coastal villages as public places so that the city can carry out activities to achieve regional disaster prevention by local residents and achieve community development.

By expanding the lessons from this project as an ideal model for mutual reconstruction and community disaster prevention, both cities are looking forward to broadening their collaborative relationships with other cities in the world.

#### The Voice of an Official in a Cooperating Municipality

##### Mr. Takafumi Kawaguchi, Higashimatsushima City Office

Higashimatsushima City has been working on various activities through active civic



Discussing local infrastructure for the public and city planning for disaster prevention while visiting a catfish hatchery adjacent to a tsunami escape building.

cooperation. Mutual assistance by local residents also worked very well after the Great East Japan Earthquake. We hope that this civic cooperation model helps solve various issues in Banda Aceh. It would be very wonderful if this opportunity for interaction could help us reveal problems and cover for each other, so that we can both achieve favorable development in the future.

#### The Voice of an Official in a Local Cooperating Agency

##### Mr. Parmakope, Banda Aceh City Office

The key goal of this project is to establish collaborative relationships between Higashimatsushima City and Banda Aceh beyond the difference in culture and background. We would like to discover effective approaches to achieve sustainable development by learning each other's knowledge and experiences.

## An NPO in Nishinomiya City shares Japan's experiences with an independent living center for persons with disabilities in Costa Rica as technology transfer

### Costa Rica: Promoting Independent Living in Costa Rica

In Costa Rica, due to the absence of personal assistant services for persons with disabilities in need of help, many persons with disabilities have been unable to become independent. To address such a situation, JICA is providing personal assistant dispatch service for persons with disabilities in Pérez Zeledón for their independence.

Although the Equal Opportunities for Persons with Disabilities Act became law in Costa Rica in 1996, the actual situation for persons with disabilities was far from independent. Thus, JICA facilitated the social participation of persons with disabilities through a five-year comprehensive project of community-based rehabilitation. In 2011, the nation's first Independent Living Center for the Persons with Disabilities was also established.

Under the JICA Partnership Program project

initiated in April 2012, the Mainstream Association, an NPO in Nishinomiya City, Hyogo Prefecture, shared their experiences with the center as technology transfer. They have been engaged in developing a system that enables persons with disabilities to utilize personal assistants for independence in their community.

#### The Voice of an NPO Staffer

##### Mr. Takeshi Inoue, Project Manager

Since we have difficulties in providing Costa Rica with a Japanese-style personal assistant dispatch services for persons with disabilities, we sometimes feel that things do not work out as we intended. However, two years after the project started, the Independent Living Center, which is the first example not only in Costa Rica but in all of Latin America, has taken root in the community and played a role as

a troubleshooter and one-stop service center for persons with disabilities in the region. We are engaged in various activities for them, such as providing consultation and counseling services, checking barrier-free facilities in administrative institutions or stores, and holding training programs for bus drivers on the proper treatment of persons with disabilities.

#### The Voice of a Local Staffer

##### Mr. Luis Hernán, Leader of Independent Living Center in Pérez Zeledón

In February 2014 we held a three-day national rally for persons with disabilities in the capital of Costa Rica. This was the first attempt in our country, and many persons with disabilities in need of help throughout the country joined the event. This rally had about 70 participants, including staff members; some of them had never gone outside their houses for many years, and some experienced their first attempt to take a bus. In spite of many troubles in taking on the new challenge, the satisfied faces of the participants made us glad about our attempt. At the same time, organizing this event was a good opportunity for us to grow.



Marching in a parade in the town after the three-day national rally. Each of the participants made appeals to the crowd.

# Science and Technology Cooperation on Global Issues

## International Cooperation Jointly Creating “Knowledge”

Global-scale problems including global warming, food issue, natural disaster and infectious disease have been increasingly complex. In particular, the influence on developing countries with vulnerable socio-economic infrastructures is critical. The international community is now required to work together to approach such problems, since it is hard for only individual countries or regions to tackle them. In addition to traditional cooperation systems, innovation by science and technology is also expected to play an important role in providing solutions for responding to complex and growing issues.

Under the circumstance, JICA initiated the cooperation<sup>1</sup> focusing on the utilization of science and technology in 2008. Based on Japan’s science and technology, JICA aims at creating newer “knowledge” by international joint research between Japan and developing countries, as well as solving global-scale issues by giving research outcomes back to the real world.

### ● 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 Technical Cooperation Project. 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

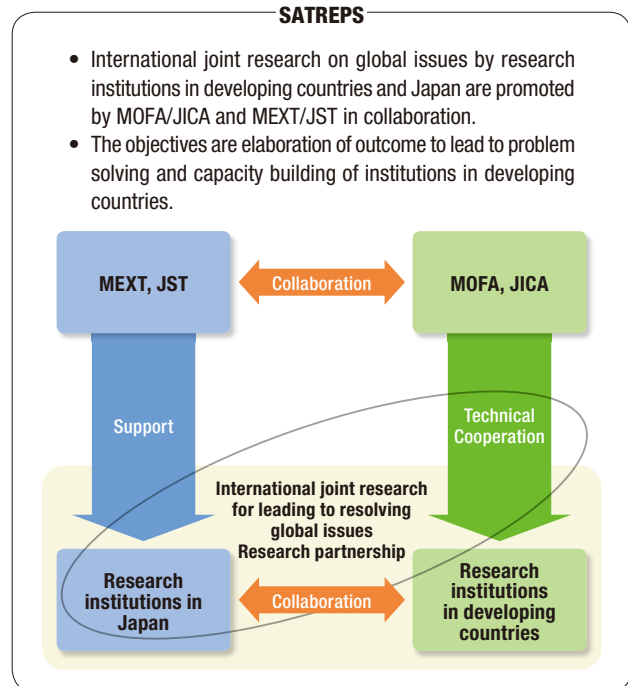
- 1) Acquire new knowledge leading to resolving global issues and advancing science and technology.
- 2) Build a framework for sustainable activities to contribute to solutions for global issues.
- 3) Improve the development of human resources and self-reliant research capability of developing country.

#### 3. Implementation System

SATREPS is jointly conducted by the Ministry of Foreign Affairs (MOFA), JICA, the Ministry of Education, Science and Culture (MEXT), and the Japan Science and Technology Agency (JST). In SATREPS, research proposals that are submitted from Japanese research institutions to JST are examined to see if they are consistent with research requests from developing countries (i.e., matching system), from the perspective of science and technology and ODA. Then, adopted proposals come into practice by research institutions in both Japan and developing countries, under the framework of JICA Technical Cooperation Project.

JICA provides financial support for developing countries conducting the researches (e.g., dispatch of Japanese researchers,

#### Implementation System of SATREPS



acceptance of their researchers, provision of equipment, and local activity expenses). On the other hand, JST supports research expenses necessary in Japan or third countries.

#### 4. Eligible Fields of Research

Research objects are four fields: environment and energy, biological resources, disaster prevention, and infectious disease. Specific research areas in each field are reviewed every year.

### ● Efforts in 2013

#### 1. Selection of Research Projects

From September to November 2012, JICA asked Japanese research institutions for SATREPS research proposals for 2013, and also upon that conducted a survey of developing countries on research requests. As a result, there were 91 matches among 98 proposals and 109 requests, and 10 research proposals were finally selected.

Research proposals adopted include four environment and energy fields (three environment areas and one low carbon area), one biological resources field, two disaster prevention fields, and three infectious disease fields<sup>2</sup>. Viewed geographically, these proposals consist of seven fields in Asia (four in South East Asia, one in East Asia, and two in South Asia), two fields in Central and South America, and one field in Africa.

1. Initially, the science and technology cooperation had two schemes: “The Science and Technology Research Partnership for Sustainable Development (SATREPS),” which was a technical assistance project model and “The Dispatch Program for Scientific and Technology Researchers” an individual expert dispatch model. However, the latter was finished in 2012.  
2. One of three infectious disease fields was also adopted as a multi-sectoral boundary area.

## 2. Implementation Status

With additional 10 proposals, SATREPS has adopted 77 research projects since 2008 when the project started, in cooperation with 39 countries including those in preparation and three new entrants.

Research proposals adopted includes 32 environment and energy fields, 17 biological resources fields, 14 disaster prevention fields, and 14 infectious disease fields. Viewed geographically, these proposals consist of 42 fields in Asia (32 in South East Asia and the Pacific, one in East Asia, and nine in

South Asia), 13 fields in Central and South America, 17 fields in Africa, and five fields in Middle East and Europe. In terms of percentage of the total, the Asian region is the largest with 54.5%, followed by the African region with 22.0%.

On the other hand, although 11 collaborative research projects were finished in 2013, SATREPS has produced many results in the field of environment and energy, biological resources, and infectious disease. These outcomes have been introduced to the real world.

### Case Study

#### Zambia: Development of Diagnostic Methods for Tuberculosis and Trypanosomiasis and New Trypanosomal Medicines

### Succeeded in Developing Low-cost, Rapid Diagnostic Kit for Tuberculosis and Trypanosomiasis

**Hokkaido University and the University of Zambia have successfully developed methods for the early diagnosis of tuberculosis and trypanosomiasis from four-year collaborative research project in SATREPS.**

#### Developing a Rapid Diagnostic Kit at a Low Cost

In recent years, occurrence of emerging or re-emerging infectious diseases including tuberculosis, new avian influenza, and Ebola hemorrhagic fever have posed enormous public threats. Especially, one-third of all human beings are estimated to be infected with tuberculosis. Every year, 1.4 million people have been killed by the disease mainly in Asian and African countries, and tuberculosis has been one of the most critical infectious diseases in Zambia.

Furthermore, it is estimated that trypanosomiasis, a disease that can be found in Sub-Saharan Africa, has left about 50,000

people dead each year. Since many people are misdiagnosed with malaria and die without receiving necessary treatment, it is essential to provide early diagnosis and proper treatment.

The Research Center for Zoonosis Control at Hokkaido University has conducted research activities in Zambia for many years. The representative research center of Hokkaido University carried out a collaborative research with the University Teaching Hospital and the School of Veterinary Medicine at the University of Zambia.

With the four-year collaborative research based on the diagnostic technique developed in Japan, the research team successfully developed a rapid diagnostic kit for tuberculosis

and trypanosomiasis. This development successfully reduces the examination cost to ¥100 per test (one-tenth of the traditional method), as well as shortening the testing time from a month to just 60 minutes.

Since all of the reagents used for the kit are dried powders, the diagnostic kit can be used at local clinic or examination room where cold chain is not installed.

Early diagnostics will contribute to providing appropriate treatment as early as possible and preventing pathogens from spreading. Hence, this development is expected to reduce the number of patients dying and suffering from tuberculosis and trypanosomiasis in affected countries or regions.

This research achieved a significant outcome in the aspect of cultivating human resources and enhancing the research system in Zambia.



A Japanese researcher developing rapid diagnostic kit



Japanese researchers with Zambian staff in the tuberculosis examination laboratory

# Support for Japanese Emigrants and Their Descendants

## Focusing on Human Resources Development and Elderly Welfare

### ● Evolving Issues and Challenges Weighing on Japanese Emigrants and *Nikkei* Communities

There are currently more than 3.2 million Japanese emigrants and their descendants (*Nikkei*) living around the world, with the majority living in North America, Latin 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 assists Japanese emigrants who have settled in Latin America and the Caribbean in line with Japanese emigration policy since the early 1950s.

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 some *Nikkei* communities are encountering a situation where the working-age population is leaving the community, 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 America and the Caribbean also face educational issues such as truancy among *Nikkei* children due to a lack of Japanese language proficiency.

Accordingly, JICA supports the Japanese emigrants and *Nikkei* focusing on human resources development and elderly welfare. JICA also engages in establishing relationships between the Japanese private sector and *Nikkei* companies, or companies in

Latin America and the Caribbean owned or managed by Japanese descendants, by promoting private-sector partnerships.

### ● The 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 disseminate the history of Japanese emigration to the public in general, especially for 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

JICA assists in the management of five *Nikkei* clinics at settlements in Paraguay, Bolivia, and Brazil. JICA also supports travelling clinics for settlements in Brazil. Furthermore, JICA assists programs involving health insurance, nursing care, medical examinations, and day-care services in countries such as the Dominican Republic, Brazil, and Bolivia.

#### Case Study

#### Brazil and Peru: Data Collection Survey on Private-Sector Partnerships with *Nikkei* Communities in the Latin American Region

### JICA Contributes to Private-Sector Partnerships among Japanese Private Companies and *Nikkei* Companies

JICA dispatched the Second Partnership Promotion Survey in Latin America to Brazil and Peru from July 15 to 28, 2013.

JICA places private partnerships as a priority program in the regional assistance strategy for Latin American and the Caribbean. The Private-Sector Partnership aims at contributing to economic and social development in these countries by strengthening long-established networks with *Nikkei* communities and supporting Japanese companies with advanced technology to expand into the region.

It tends to be harder for Japanese companies to have interest in the Latin American region than in other regions due to the geographical distance between Japan and the region.

On the other hand, many Latin American

countries give credence and have affinity for Japan, cultivated by prewar and postwar Japanese emigrants in Latin American countries.

The historical relationship of these countries is utilized in strengthening business partnerships between Japanese and *Nikkei* companies. In particular, JICA envisions a vibrant and dynamic partnership in Brazil, where 1.6 million *Nikkei* reside.

#### Evident Effectiveness of Japanese Communities

The Survey included discussions with governmental agencies, visits to local

companies, and consultation with relevant *Nikkei* stakeholders.

JICA also co-hosted a Private-Sector Partnership Seminar in Lima, Peru, with full support from the Peruvian-Japanese Association. With 100 participants, including Peruvian government officials, private companies, and *Nikkei*, the Seminar promoted exchange of information and discussions on business partnerships.

In Brazil, the participants had the opportunity to introduce Japanese technologies at the Japan Festival held in São Paulo, the home to the world's largest *Nikkei* community. Recognizing the validity of the *Nikkei* community and their local networks, the participating companies took this opportunity to examine operational plans.



Mr. Yamashiro (left), president of the Peruvian Japanese Association, welcomes the participants of the Survey (right).

## 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 Brazil Japanese Center in São Paulo.

### 3) Upgrading Facilities and Equipment

In fiscal 2013, 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*

JICA organizes the one-month program targeting *Nikkei* young students 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 homestay in Japan. A total of 49 students from Canada, Latin America, and the Caribbean participated in this program in fiscal 2013.

### 2) Scholarship for Japanese Emigrants and Their Descendants in Latin America and the Caribbean (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 2013, seven 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 Latin America and the Caribbean, called *Nikkei* Volunteers, to assist with Japanese-language education, health care, 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 2013, seven teachers participated in a 21-month volunteer program. Upon returning to Japan, these former 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 governments, and other organizations in Japan submit proposals to JICA for training program to be received by *Nikkei*. In fiscal 2013, JICA accepted 112 *Nikkei* training participants under this program.

## 5. Strengthening Partnerships with *Nikkei* Communities in Latin America and Japan's Private Sector

JICA conducted the Second Partnership Promotion Survey in Latin America in Brazil and Peru in 2013. The survey aims to strengthen partnerships between Japanese private companies and private companies owned or managed by *Nikkei*, which will contribute to the development of economies and societies in Latin America.

Some Japanese companies that participated in the survey utilize the JICA Private-Sector Partnership Projects, such as the Feasibility Survey with the Private Sector for Utilizing Japanese Technologies, the Small and Medium-Sizes Enterprise (SME) Partnership Promotion Survey, the Overseas Volunteering Program in Collaboration with Private Sector, and the *Nikkei* Training Program to promote business partnerships with *Nikkei* companies.

## 6. 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

#### JICA Kyushu: *Nikkei* Training Program and Follow-up Survey for "Community Development"

## Efforts to Cultivate Community and Business Leaders for *Nikkei* Communities

JICA Kyushu accepted 29 training participants in six courses from 2007 to 2013. In 2014, JICA dispatched a follow-up mission to Brazil to advise the former participants.

### Creating a Course Focusing on SME Support

The training program aims to assist participants to engage in community development in their *Nikkei* communities. The program consists of a case study of solutions to environmental problems and industrial promotion by Kitakyushu City; a visit to Oita Prefecture to learn about the "One Village, One Product" Movement; and a

series of lectures on the cultivation of entrepreneurs, customer satisfaction management, and breakthrough thinking.

On returning to their communities, the former participants of this course reconfirm the importance of *Nikkei* organizations and community participation. In these circumstances, following up on former participants was one of the main issues in this course. Kitakyushu International Techno-Cooperative Association, the organizer of this program, has maintained and expanded the network among former participants and course leaders through activity reports and consultations via e-mail.

At the same time, the association identified an increasing demand for a program to nourish *Nikkei* business leaders, who associate and have knowledge on innovative technologies and management skills of Japanese SMEs.

In these circumstances, JICA dispatched a mission to Brazil in March 2014 to follow up on former participants. The mission surveyed the activities and provided technical advice and consultations to former participants. The Mission also held seminars to disseminate and promote community development. Through these follow-ups and seminars, the mission clarified the need for improving the present training program and focus on SME promotion. The association has evolved the community development course to SME Promotion for 2014.



*Nikkei* Training Program participants listen to the leader of "One Village, One Product" Movement in Oita.

# Recruiting and Training Human Resources

## Training the Personnel Needed for Future International Cooperation Programs and Recruiting Human Resources

There is a dynamically growing need in the field of international cooperation for professionals who are capable of responding accurately to increasingly complex and diverse aid needs. However, recruiting such professionals has become increasingly competitive. In order to respond promptly to these needs, JICA has been undertaking a variety of programs for training and recruiting eligible people.

### Overview of Programs in Fiscal 2013

Title/Objective	No. of participants (as of March 2014)
<b>Comprehensive Career Information for International Cooperation Programs on the Website</b>	
PARTNER	Number of those registered as human resources for international cooperation: 9,746
<b>Human Resources Training</b>	
1. Associate Expert Program	5 new participants, 16 ongoing participants
2. Customized Training for Experts Development	Totally implemented 6 courses, 13 participants
3. Internship Program (open-recruitment type)	40 participants
4. Other training programs	
1) Pre-Dispatch Training for JICA Experts	Implemented 10 times/year, 322 participants
2) Capacity Enhancement Training	Totally implemented 20 times, 330 participants
3) Security Management Training in Collaboration with UNHCR	Totally implemented 2 courses, 60 participants
4) Other	Pre-Dispatch Training for JICA Staff, National Staff Training, etc.
<b>Securing Human Resources</b>	
1. JICA Senior Advisors	81 people
2. Special Advisors	16 new people, 16 ongoing people

### ● Training Human Resources for the Future

#### 1. Associate Expert Program

##### — A Step toward Being JICA Experts

With the goal of mid- and long-term training for human resources for international cooperation in the sectors in which there is a human resources shortage, JICA re-organized its Associate Expert Program in fiscal 2012. The new program is designed for young people with certain levels of expertise based on some professional experience and who are willing to work as JICA experts in the future. They learn about overall activities for international cooperation mainly through on-site training at JICA headquarters. In order to increase the number of potential applicants, JICA conducted recruitment twice a year in 2014; this had been done once in 2013.

#### 2. Customized Training Program for Experts

##### — Responding to New Development Agendas

To cope with new sophisticated and diversified development issues in developing countries, this program provides opportunities for JICA human resources to participate in short-term training courses at overseas universities and international organizations. The goal of this program is to enhance their capacities to



A physician (at far left) has worked as an intern in the Maternal and Child Health Project in Cambodia.

respond to the latest global trends by exchanging opinions with researchers and business people throughout the world. In fiscal 2013, there were 13 participants who received training in programs in the fields of countermeasures against climate change, microfinance, water, and health.

### 3. Internship Program

#### — JICA Experts, Expanding the Range of Future International Cooperation Personnel

This program provides graduate students and young physicians who engage in research related to the field, and who also aspire to a career in international cooperation, with one to four months of practical training at either a JICA domestic offices or JICA overseas offices. JICA is considering expanding the eligibility for internship and increasing the number of training sites in order for more people to join the program.

### ● Training Work-Ready Personnel

#### 1. Pre-Dispatch Training for Experts

##### — Orientation and Upgrading Skills Immediately Before Departure

Prior to their assignments, JICA provides experts with training programs through which they can obtain a variety of information and know-how on subjects such as JICA's cooperation policy, project content, current trends in aid, effective means of technology transfer, and other items. These training programs are intended to enable the experts to provide effective assistance shortly after assignment.

#### 2. JICA Academy

##### — A Permanent Training Program for JICA Staff

In order for JICA staff to enhance their ability to address new issues and projects, JICA Academy has been launched as a training opportunity for its staff to acquire comprehensive knowledge of JICA services.

#### 3. Capacity Enhancement Training

##### — Short-Term Intensive Training for Enabling Experts to Work Efficiently Immediately upon 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 future. Under this program, trainees are given opportunities to acquire knowledge on current aid trends and practical skills. In fiscal 2013, in light of the environmental and social considerations course, peacebuilding and reconstruction (project evaluation) course, and based on recent needs for assistance, JICA has implemented three new courses: an impact evaluation (health sector cooperation) course, a biodiversity conservation course for effective use of the ecosystem services course, and an agricultural and rural development and gender course.

#### 4. Security Management Training

##### — Security Management Training in Collaboration with the UNHCR

In collaboration with the Office of the United Nations High

Commissioner for Refugees (UNHCR), Regional Centre for Emergency Preparedness (eCentre), JICA implements training programs in security management for JICA staff, UNHCR staff, NGOs, international organizations and governmental agencies. This training is provided to individuals who are engaged in the fields of peacebuilding and reconstruction assistance as well as to those responsible for security management.

##### ● Recruiting Human Resources

JICA makes efforts to secure people such as JICA Senior Advisors or Special Advisors with wide practical experience in developing countries who can work immediately for 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 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 the Department of Human Resources for International Cooperation. PARTNER provides an abundance of useful information on career development and recruitment to people aiming to engage in a wide range of activities in developing countries. Information from JICA as well as international agencies, government agencies, NPO/NGOs, consulting firms, and Japanese companies aiming to expand their business overseas is put on PARTNER. Nearly 10,000 people have registered on the PARTNER website. Large numbers of organizations and companies have been approaching those registrants on PARTNER and have recruited them as competent or next-generation leaders. A place where people who want to participate in overseas projects and the organizations and companies that want to recruit these people can meet each other — this is what PARTNER is.

#### Support for Overseas Operating Companies to Secure Human Resources

Some companies aiming to expand overseas have specific problems regarding business know-how in developing countries and the shortage of human networks. In light of these circumstances, JICA has reconsidered the organization registration criteria of PARTNER in order to assist companies in expanding overseas and securing human resources. Moreover, for overseas operating companies contributing to socio-economic development and stability in developing countries, the PARTNER website has allowed them to register as "international cooperation groups" and to post their job offers on the website.

To promote utilization of PARTNER, JICA encourages companies to register and to use the services at various events, such as JICA's orientation programs on public-private partnership projects and industry events. In fiscal 2013, there were 133 organizations that newly registered as international cooperation groups, and the number of private companies rose to 57.

#### Improvement of the Career Consultation Service

PARTNER provides career consultation services for registrants. In fiscal 2013, career consultation via Skype was launched for those living in foreign countries or remote areas of Japan. Also, PARTNER conducts holiday and evening career consultation three times each. In this way, there were 391 career consultations in fiscal 2013 (101 via email, 255 face-to-face, and 35 via Skype), which marked the highest record.

For improving the quality of career consultation, in July 2013 JICA also provided a career counseling training for staff members engaged in career consultation services. According to the results of a questionnaire conducted after career consultation, the service has

received high acclaim; 96% of face-to-face consultation users (including via Skype) and 87% of email consultation users answered that they could receive advice as they expected or to some extent.

#### Support for Securing Human Resources Regarding the Great East Japan Earthquake

Information on employment and support related to reconstruction activities is available on the main page of the PARTNER website, containing 164 pieces of information (75 on recruitment and 89 on support activities) as of 2013. In cooperation with the Reconstruction Agency, the website provides employment information regarding support staff for municipalities (Miyagi, Fukushima, and Iwate prefectures). At the same time, JICA supported the spread of their employment information by carrying an article on the PARTNER website and publicizing them at seminars or events.

JICA also holds the Seminar on Human Resources for International Cooperation three times a year. In 2013, this seminar was held in Nagoya, Tokyo, and Sendai for registrants of PARTNER. At the Sendai seminar held in December, JICA ran a panel discussion with representatives of the Miyagi Prefectural Government and NGO/NPOs under the theme "Point of Contact between Experience in the International Cooperation Field and Activities for Earthquake Disaster Reconstruction." Through this seminar, JICA highlighted the affinity between international cooperation and reconstruction support experiences, as well as the effectiveness of both activities.

#### PARTNER Evolving as Place of Interaction for Individuals and Groups

In fiscal 2013, there were 3,205 job listings and 1,531



PARTNER

Search

<http://partner.jica.go.jp>

pieces of information on training programs and seminars, (including JICA's information), posted on the PARTNER website, and the number of hits on the main page of the website reached 858,139 during the year. The number of those registered as "human resources for international cooperation" is 9,746 people, while 864 organizations are registered as "international cooperation groups" as of the end of March 2014. The number of registrations has increased significantly compared to the previous year.

As new content in fiscal 2013, "Analyze! PARTNER in Data" has been released on the website. The content provides information that facilitates interaction among individuals and groups through PARTNER. This service allows users to share various kinds of information, such as the sectors of registered organizations and the careers and language skills of registered people.

In addition, another new content item titled "Tips for PARTNER Utilization" provides individual and organization users with useful tips for appropriate use. This content introduces the service in which registered organizations can refer to the profiles of registrants by using a keyword search, such as an area of expertise and language skills, and they can also offer job opportunities to registrants individually via email. In fiscal 2013 there were 202 organizations that utilized the service, while 897 emails were sent to registered people to offer job opportunities. According to a survey, the ratio of adoption of job listings posted on the PARTNER website (except JICA's job offers) was 68.7% (collection rate of questionnaires: 32.0%). That is to say, PARTNER has been more actively utilized as a place of interaction among individuals and organizations.

October 2013 marked the 10th anniversary of PARTNER. Going forward, PARTNER is determined to strengthen programs continually with the aim of enhancing the quantity, diversity, and quality of services.

# Emergency Disaster Relief

## For Relieving the Suffering of Afflicted People

### ● The JICA Disaster Emergency Support System

JICA is responsible for executing Japan's disaster relief operations in response to requests from the governments of affected countries or international organizations following large-scale disasters. JICA has two forms of assistance: dispatch of a Japan Disaster Relief (JDR) Team and provision of emergency relief supplies.

JDR is composed of four units: rescue teams, medical teams, expert teams, and the Self-Defense Force units. The Minister of Foreign Affairs has the authority to determine the dispatch of JDR; the dispatch of the Self-Defense Force units requires consultation between the Minister of Foreign Affairs and the Minister of Defense. JICA is then responsible for the operation of JDR. On the basis of the Act of the Incorporated Administrative Agency—Japan International Cooperation Agency, JICA is in charge of making decisions on providing emergency relief supplies.

### ● Operations and Challenges of the Secretariat of Japan Disaster Relief Team

The Secretariat of JDR at JICA is in charge of the operation of human resources and relief supplies for overseas afflicted areas. When the Japanese government decides to dispatch a JDR Team, the Secretariat of JDR organizes the team members. In addition to arranging flights for the team and organizing cargo, the secretariat sends a team of JICA personnel for logistics support and provides various other types of support so that all JDR members are ensured of 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 ordinary times by undertaking various types of training and exercises. Throughout the year, regardless of the occurrence or absence of natural disasters, members of the rescue and medical teams undertake comprehensive exercises and other training so that

they can carry out activities in overseas environments.

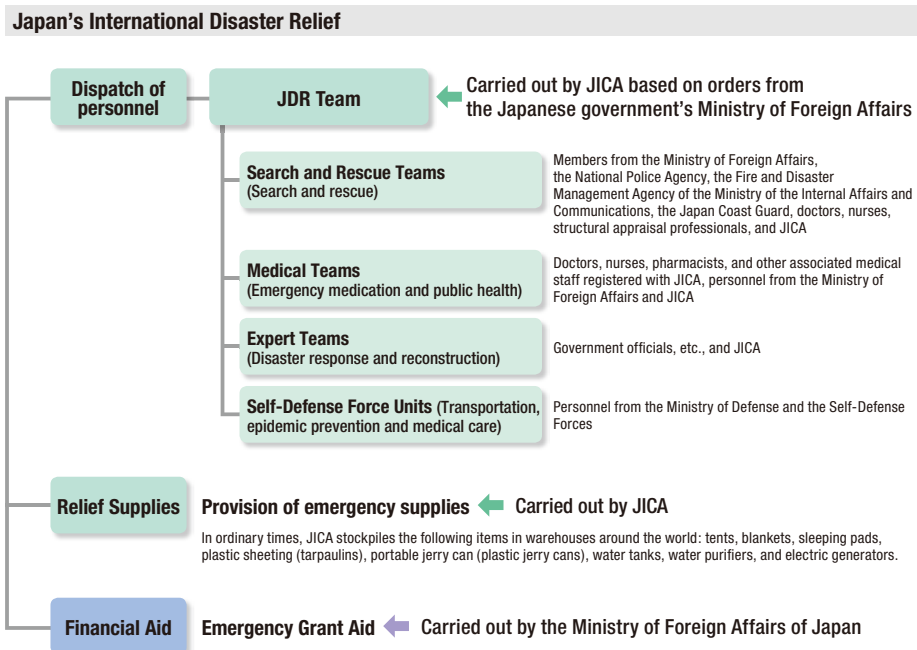
In addition, activities in ordinary times include stockpiling emergency relief supplies, strengthening donor coordination, and reexamining the team structure and equipment. In order to provide afflicted areas with a large quantity of emergency relief supplies in a quick and secure manner, it is important to conduct prior procurement of supplies and store them as close to afflicted areas as possible. Although supplies are stockpiled in warehouses across the world for freight convenience, JICA sometimes conducts local procurement of supplies within the afflicted country or neighboring countries due to the nature of the disaster or limitations in the means of transportation. In this manner, the Secretariat of JDR carries out its operations on a case-by-case basis.

With regard to donor coordination, the Secretariat of JDR strengthens relationships with other international organizations, including the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA). In recent years, the World Health Organization (WHO) has launched a working group to review the establishment of Foreign Medical Team (FMTs), and the Secretariat of JDR is also involved in the discussions. There are various kinds of governmental and private medical teams in the world. JICA is working on a review by collecting information on international trends and also cooperating with overseas partners. By doing so, JICA aims to ascertain the ideal system for the activity of medical teams with capabilities that meet the needs of afflicted areas, as well as the ideal concept of JDR medical activity.

As for reexamining the team structure and equipment, the Secretariat of JDR has steadily developed a system that provides the medical team with functions for surgery, medical wards, and dialysis in addition to existing services in order for the medical team to reinforce its abilities to address the hyperacute phase, immediately after a disaster occurs, in afflicted areas.

All the activities in ordinary times contribute to developing the system that enables the team to quickly take necessary action immediately before and after occurrence of a large-scale disaster.

As natural disasters have increased throughout the world in recent years, the importance of JDR is being elevated due to Japan's ample experience in response to natural disasters. JICA's activities are not limited to disaster response. Along with dispatch of JDR, JICA is engaged in providing seamless assistance, such as conducting needs surveys toward reconstruction assistance, and development of relevant projects.



**Provision of Disaster Relief Supplies in Fiscal 2013 (April 2013–March 2014): 22 Cases**

No	Date disaster occurred	Country/region	Type of disaster	Type of relief	Value of material aid	Supplies provided
1	May 2013	Kenya	Flooding	Provision of supplies	approx. ¥16 million	Water purification tablets, tool kits, medicines, medical equipment
2	May 2013	Marshall Islands	Drought	Provision of supplies	approx. ¥8 million	Water, food
3	May 2013	Zimbabwe	Rainstorm	Provision of supplies	approx. ¥12 million	Tents, blankets
4	August 2013	Myanmar	Flooding	Provision of supplies	approx. ¥13 million	Blankets, sleeping pads
5	August 2013	Sudan	Flooding	Provision of supplies	approx. ¥16 million	Sleeping pads, tents, water purifiers, water tanks, generators
6	September 2013	Niger	Flooding	Provision of supplies	approx. ¥16 million	Blankets, potable jerry can, mosquito nets
7	October 2013	Cambodia	Flooding	Provision of supplies	approx. ¥32 million	Portable jerry cans, water purifiers, water tanks, generators
8	October 2013	Cameroon	Flooding	Provision of supplies	approx. ¥10 million	Tents
9	October 2013	Philippines	Earthquake	Provision of supplies	approx. ¥38 million	Tents, plastic sheets
10	November 2013	Philippines	Typhoon	Medical team	81 people	
11	November 2013	Philippines	Typhoon	UNDAC members	2 people	
12	November 2013	Philippines	Typhoon	Provision of supplies	approx. ¥60 million	Tents, plastic sheets, sleeping pads, water purifiers, generators
13	November 2013	Philippines	Typhoon	Expert team	17 people	
14	November 2013	Philippines	Typhoon	Expert team	5 people	
15	November 2013	Philippines	Typhoon	Self-Defense Force team	1,119 people	
16	November 2013	Palau	Typhoon	Provision of supplies	approx. ¥2 million	Plastic sheets, sleeping pads
17	November 2013	South Sudan	Flooding	Provision of supplies	approx. ¥18 million	Tents, mosquito nets, blankets, portable jerry cans, water purification tablets
18	January 2014	Tonga	Cyclone	Provision of supplies	approx. ¥13 million	Portable jerry cans, water tanks
19	February 2014	Bolivia	Flooding	Provision of supplies	approx. ¥19 million	Tents
20	February 2014	Burundi	Flooding	Provision of supplies	approx. ¥12 million	Blankets, plastic sheets
21	February 2014	Zimbabwe	Water damage	Provision of supplies	approx. ¥13 million	Blankets, plastic sheets, tents
22	March 2014	Malaysia	Missing airplane	Rescue team	20 people	

**Case Study Implementation of Emergency Relief for Typhoon Damage in the Philippines****Toward Provision of Seamless Support from Immediately Before and After Occurrence of a Disaster to Reconstruction**

**Typhoon Haiyan (called Yolanda in the Philippines) hit the Philippines on November 8, 2013, inflicting enormous damage in the country, affecting over 16 million people as of January 2014. To address the large-scale disaster, JDR provided many kinds of support to the country, including dispatch of medical and expert teams.**

In the beginning stage, immediately before the typhoon hit the Philippines, in response to a request from the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), JICA, which is Japan's point of contact for calling up members, dispatched one team member of the United Nations Disaster Assessment and Coordination (UNDAC) to the Philippines. After arriving in the afflicted area, the UNDAC member conducted an initial assessment of the damage, coordinated international assistance, and supported the national government. At this time, another UNDAC member was sent from Japan to the afflicted area. This is the first case where multiple Japanese members of UNDAC work in an afflicted overseas area.

As the next step, JICA serially dispatched three medical teams. In response to a request from the Philippine government, JICA dispatched the first batch of the JDR medical team on November 11. Based in Tacloban on Leyte Island, which was the most severely affected city, the teams were engaged in medical assistance in the area for almost a month.

Utilizing lessons from the 2011 Great East Japan Earthquake, the dispatched medical

teams actively moved around not only to the center of the city but also to surrounding villages where medical support was insufficient. They also provided assistance to hospitals in other regions. Moreover, there were requests from medical teams of other countries to use X-ray imaging machines and other testing equipments carried by the Japanese team. As in these cases, the JDR team widely contributed to medical activity in the field.

Much assistance other than medical care was needed in the field. In particular, the afflicted area was extremely short of supplies due to the typhoon and tsunami damage. In response to the request of the Philippine government, JICA provided much-needed relief supplies such as tents, plastic sheets, sleeping pads, power generators, water purifiers, and water, worth about ¥60 million in total. JICA delivered these supplies to the afflicted area and also provided demonstrations and explanations of how to use them.

Furthermore, on Panay Island, the typhoon caused a grounding of a power barge, and this resulted in an oil spill. To address this problem, an expert team composed of JICA and the Japan Coast Guard was dispatched



A doctor travelling for medical care



A medical tent

to the accident site to provide the Philippine government with advice and guidance on investigating the damage and removing the oil. For early recovery, JICA also dispatched an expert team comprising several institutions: the Ministry of Land, Infrastructure, Transport and Tourism; the Japan Water Agency; and JICA. The team conducted a field survey from the perspective of disaster prevention and urban planning, and also provided the survey report and advice to the Philippine government.

With a view to seamless support for reconstruction, JICA carried out various kinds of emergency assistance and also will continue working for the recovery and capacity building for disaster prevention in the Philippines.

# Research

## The JICA Research Institute Links Research and Practice in Development Work and Contributes to the World's Development Agendas

The JICA Research Institute (JICA-RI) carries out research activities with two main objectives. The first objective is: conducting analysis of development issues in developing countries and contributing to JICA's operation strategies. The second is contributing to constructive discussion on the development agenda by sharing research evidence widely and leading international policy dialogue. With these two objectives, JICA-RI conducts studies that build on the operational experiences and know-how it has accumulated as a development assistance organization.

The results of the researches are published in the form of working papers, policy briefs and books, released broadly through websites and other means, and shared in international conferences and seminars as well.

### ● Basic Policy for Research Activities

#### 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 Domains of Research Activities

#### 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 conducts research to devise policies for evaluating environmental damage, effective means to manage natural resources, and ways to mitigate or adapt to climate change.

#### 4. Aid Strategies

JICA-RI pursues rigorous academic analysis of the effectiveness of various approaches to international development assistance, utilizing Japan's experience and knowledge. Research is based on principles such as the "capacity development" approach aimed at enhancing multilevel capabilities covering individuals, organizations, governments, and society, and the concepts of "human security" and "dynamic development that benefit all people."

### ● Outcomes of Research Activities

Based on the policies and domains, JICA conducted 19 research projects in 2013 and published the outcomes.

#### 1. Publications of Research Outcomes

In fiscal 2013, JICA-RI released 16 working papers that present findings of the research projects. Research outcomes are also compiled as publications by JICA-RI. JICA-RI released six English-language publications and four in Japanese in 2013.

Publications released from professional publishers include "AFRICA 2050 — Realizing the Continent's Full Potential — (Oxford University Press)" that discusses the future of African development and "Preventing Violent Conflict in Africa: Inequalities, Perceptions and Institutions (Palgrave Macmillan)," which summarizes the research outcomes by analyzing the factors of violent conflict in the region from the perspective of "structure" and "process."

Books released from JICA-RI are such as "For Inclusive and Dynamic Development in Sub-Saharan Africa" and "Tackling Global Challenges through Triangular Cooperation: Achieving Sustainable Development and Eradicating Poverty through the



Published a book on the future of African development and the South-South Cooperation, based on research outcomes

*Green Economy.*” Both of them were introduced at the Fifth Tokyo International Conference on African Development (TICAD V) held in Yokohama in June and the Global South-South Development Expo 2013 hosted by the United Nations in Kenya in October, respectively.

Furthermore, four books were released in Japanese, including “*For Reconstruction of Sudan, a Conflict-Ridden Country in Africa,*” and “*Polio is Gone from My Village — International Cooperation of ‘Scientific Hands-on Approach’ from Shandong Province, China.*” These books are published in the series “Project History,” which aims at analyzing Japan’s contribution to developing countries from a long-term perspective.

In addition, most of the outcomes of research projects are widely shared among scholars, as articles of academic journals, books and conference presentations.

## 2. Collaboration with International Organizations and Research Institutions

For these research activities, JICA-RI promotes joint research

with other research and aid organizations in Japan and the world building partnerships and networks.

One such example is the collaborative research with Initiative for Policy Dialogue (IPD) led by Dr. Stiglitz, professor at Columbia University. The outcomes of the collaboration were presented at a side event held during TICAD V and sparked the discussion on challenges for structural shift of the African economy [ → see the **Case Study**]. The third phase of the collaborative research with IPD was launched on the theme of industrial policy.

Other institutions that JICA-RI continues to collaborate with include, but are not limited to: World Bank, Asian Development Bank, German Development Institute (DIE), Korea International Cooperation Agency (KOICA), Institute of Development Studies (IDS) at the University of Sussex, U.K, and Brookings Institution in U.S.

\*JICA Research Institute website: <http://jica-ri.jica.go.jp/>

### Case Study A Side Event at the Fifth Tokyo International Conference on African Development (TICAD V)

## Presented the Outcomes of the Collaborative Research with IPD Led by Professor Stiglitz

On June 2, 2013, JICA-RI hosted a side event at TICAD V in Yokohama, under the theme of “Structural Shift of African Economy” in collaboration with Columbia University Initiative for Policy Dialogue (IPD). This event was aimed at discussing issues of development policies with policymakers from Africa based on the research outcomes.

At the side event, Professor Joseph Stiglitz, head of Columbia University IPD, delivered a keynote speech, following the opening address by JICA President Akihiko Tanaka.

The theme was “How Industrial Policy Can Help Africa Meet the Challenges of the 21st Century.” With regard to the theme, Dr. Stiglitz stated, “The 21st century witnessed economic growth over five percent per annum in Africa. Now is the time to address concerns about the quality of this growth to put Africa on a path of sustained and inclusive growth, not only economically, but politically, socially, and environmentally.”

### For Sustainable Development of Africa

In panel discussion following Dr. Stiglitz’s speech, there was a dialogue, under the moderation by Hiroshi Kato (Director of JICA-RI), by Akbar Noman (IPD member and Professor



Professor Joseph Stiglitz



Hiroshi Kato, JICA-RI Director

at Columbia University), Sakiko Fukuda-Parr (Professor at the New School), Yau Ansu (Chief Economist at African Center for Economic Transformation/ACET), and Akio Hosono (Senior Research Advisor/SRA at JICA-RI).

In the dialogue, Professor Noman indicated that Africa should prioritize industrial and technology policies for all the sectors besides the manufacturing industry to achieve sustained development. He also pointed out that the Washington Consensus reform neglected the success in East Asia, including Japan.

As a successful case of various economic transformations, SRA Hosono stressed the

importance of a comprehensive approach through accumulation of capabilities and knowledge, introducing a variety of successful cases of economic transformation, including the garment industry in Bangladesh, an example of success in early industrialization, and the automobile industry in Thailand, a successful case in higher skill and technology.

JICA-RI also organized the side event that presented interim results of the report on forecasting the outlook and challenges of Africa for 2050.

JICA-RI will continue to work on linking research and practices in development.

# 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 recent years to address poverty reduction and achieve the Millennium Development Goals (MDGs). International consensus on securing the necessary funds to achieve the MDGs 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. However, there have also been demands for improving the quality of aid, as demonstrated by the debate generated by the Paris Declaration on Aid Effectiveness (Paris Declaration) of 2005. Following up on the Accra Agenda for Action of 2008 in Accra, Ghana, donors also summarized the results of initiatives regarding aid effectiveness at the Fourth High-Level Forum on Aid Effectiveness (HLF4) in 2011 in Busan, South Korea.

In recent years, however, development issues have become much more globalized and diverse. Such issues include equal and inclusive growth, support for conflict-affected and fragile states, climate change, food security, job creation for young people in particular (especially following the “Arab Spring”), and disaster risk management. Following the Lehman crisis, the amount of ODA provided by 28 member countries of OECD/DAC has generally been flat. Although ODA from DAC countries in 2013 reached a record high of \$134.8 billion, it is still far from satisfying the world’s development needs. Given the need to use limited funds for a broad array of development issues, there have been growing demands for donors to be accountable, and to focus more on results-based delivery and development outcomes.

A relatively recent phenomenon has been the rise of private-sector companies, foundations, NGOs, and emerging countries in global development cooperation. Considering that their financial inflows to developing countries go beyond that of traditional donors’ ODA, they have begun to take on a critical role in the field of global development. In fact, a frequent topic at the G20 and other international forums of late has been the diversification among the actors in development cooperation, and the debate about their role. It is essential for a development organization to constantly follow trends in the field of global development, and to strengthen its ability to gather and provide informed and current development information and agendas to international discussions. Furthermore, stronger efforts should be made to promote project collaboration with other donors and 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), European Bank for Reconstruction and Development (EBRD), and in recent years, Islamic Development Bank (IsDB). 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 last May [ → see the Case Study on page 125], as well as the International Monetary Fund (IMF)/World Bank Spring Meeting in October of 2013. These officers gave keynote addresses, and served as panelists at many seminars on recent development issues where they explained JICA’s position, activities and policies. In addition, JICA President Akihiko Tanaka continues to nurture mutually beneficial relationships with think tanks in the U.S. and Europe, as well as with the United Nations, and has hosted seminars that covered such themes as TICAD (Tokyo International Conference on African Development), international development goals after 2015 (Post-2015 Development Agenda), inclusive growth, and human security. All these activities are aimed at promoting a better understanding of JICA’s development principles among our donor and partner nations and organizations.

JICA has also significant involvement with and input to the World Development Report (WDR), which is issued every year by the World Bank (WB). WDR 2013 report, “Jobs,” incorporates case study reports written by the JICA Research Institute. JICA has also 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 contributed to the substantial discussion.

Dr. 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. Dr. Tanaka contributes to the preparation for next year’s HDR.

The United Nations has held a Global South-South Development Expo every year since 2008. In association with this Expo, JICA has co-organized High-level Forum of Directors-General for Development Cooperation with the United Nations Office for South-South Cooperation each year. Donor countries, emerging countries, and developing countries share their views and experiences on

South-South Cooperation and Triangular Cooperation. This meeting is one of JICA's efforts to encourage these types of cooperation in the international communities. JICA received the South-South Cooperation Award in the 2012 Expo for its nearly four decades of activities in supporting South-South Cooperation and sharing knowledge, best practices and lessons learned in this field.

JICA periodically holds strategic discussions with some of its development partners. These discussions were held with international (regional) organizations, such as the WB, the ADB, the UNDP, the UN High Commission for Refugees (UNHCR), and the EU, as well as with bilateral donors in other developed countries, including the French Development Agency (AFD) with regard to support for Asia, Africa and the Middle East, as well as climate change and sustainable urban development. We also engage and collaborate with: the German Agency for International Cooperation (GIZ) on projects for the water sector in Africa; the German Development Bank (KfW) on various environmental programs; and the Australia Agency for International Development (AusAID) on development support for the Pacific and Africa. JICA is also engaged in strengthening collaboration with various donors, including the International Federation of Red Cross and Red Crescent Societies (IFRC), the Asia Foundation, the Aga Khan Foundation, and the Arab Coordination Group institutions. By using mutually complementary cooperation in areas of shared interest, JICA aims to provide assistance of an even higher quality.

### ● Partnerships with Emerging Countries

In recent years China, South Korea, Thailand, Indonesia, Brazil, Turkey, and other emerging countries have become development cooperation providers. Discussions about global development cooperation can thus no longer take place without consideration of the new reality of the significant involvement of these countries. JICA has been sharing a variety of development approaches and issues with such emerging countries that reflect the experience of Japan as Asia's sole DAC donor, which it held for many years, as well as the knowledge gained from Japan's own domestic economic growth. In fact, JICA has led the Asian Development Forum every year, in order to deliver Asia's development experiences and serve as the voice of Asia. At the forum, Asian nations including emerging countries and international organizations share various topics, such as green growth, inclusive growth, mainstreaming disaster risk reduction, the Post-2015 Development Agenda, and approaches that seek to overcome development challenges in Asia.

On the other hand, JICA also has enhanced its partnerships with the Chinese Ministry of Commerce and the Export-Import Bank of China, as well as with Korea International Cooperation Agency (KOICA) and the Economic Development Cooperation Fund of Korea (EDCF). In addition, the joint seminar has been annually held among development finance organizations in Asia, including JICA, the Export-Import Bank of China, EDCF, and the Neighboring Countries Economic Development Cooperation Agency (NEDA) of Thailand.

#### Case Study

### Dissemination to the World in the wake of the Annual Meeting of Asian Development Bank

## Leading the Discussion on Disaster Risk Reduction in Asia and the Pacific

The 46th Annual Meeting of the Asian Development Bank (ADB) was held in Delhi, India from May 2 to 5, 2013. As a panelist, JICA Vice-President Kiyoshi Kodera joined a seminar named, "Towards Developing and Implementing Integrated Disaster Risk Management in Asia and the Pacific," and led an active discussion.

"Forty percent of disasters reported worldwide occur in Asia and the Pacific regions. Sixty-three percent of global deaths, 90% of the affected, and 48% of global economic loss are concentrated in Asia," ADB Vice-President Stephan Groff stated in his opening address, "The scale and frequency of natural disasters have continued to rise in the past 40 years, and the economic loss would surpass the GDP growth." He also pointed out an increased risk of natural disasters in Asia.

With regard to the features of recent natural disasters, Mr. Groff mentioned, "Both the Great East Japan Earthquake of 2011, and the massive flood in Thailand are complex disasters that had a wide-ranging impact on the world through supply chain. To cope with such a problem, in addition to public financing, the role of private financing is critical for preparing for, as well as recovering from, disasters." He also emphasized the importance of NGOs and CSOs (Civil Society Organization).

### Learning from the Great East Japan Earthquake and the Massive Flood in Thailand

Taking the example of the massive flood in Thailand in 2011, together with reflections and insights from the Japanese experience of the 1960s and 1970s, Mr. Kodera spoke about the difficulty, as well as the critical importance, of prioritizing investment in disaster risk reduction. He emphasized that in the aftermath of the earthquake and flood, we can see that the following three elements are necessary in order to develop improved preparedness and prevention measures: (1) the importance of risk literacy for the general populace; (2) continuous and regular review of adaptation and response plans for environment change; and (3) a multiplicity of multilevel and redundant safety features incorporated into the structure of roads, bridges, and other built infrastructure, including with disaster prevention functionality.

Mr. Kodera also focused on the concept "Build



(From the left) Mr. Kodera (JICA Vice-President), Mr. Groff (ADB Vice-President), Dr. Kawai (ADB Institute Dean/Moderator), Mr. Reddy (India National Disaster Management Authority Vice Chairman), Mr. Watanabe (JBIC then-Executive Managing Director, COO) and Dr. Davis (Oxford University Professor) \*Titles at time photo was taken (Photo credit: ADB)

Back Better," which would prevent the occurrence of repeated similar disasters by reducing vulnerabilities. This concept was also introduced to the post disaster needs assessment jointly conducted by the World Bank, the ADB, and JICA, following the occurrence of large-scale disasters.

"Some studies show that a one-dollar prevention investment is equivalent to a four- to seven-dollar ex-post individual investment. It is important to bring disaster prevention to the mainstream under government leadership. JICA will provide assistance through the newly established 'Stand-by Emergency Credit for Urgent Recovery (SECURE),' and the development of policy matrix aimed at strengthening disaster prevention response capacity," he also added.

# Response to the Great East Japan Earthquake in the Three Years from March 2011

JICA has continued related supportive activities during the three years from the right after the earthquake of March 11, 2011, to the present. In the beginning, the main activity was direct support, including shelter for evacuees, dispatch of JICA staff and former volunteers, coordination of international organizations from overseas, and cooperation with NGOs, which played a central part in people's support to the damage area. At the present time JICA engages in information-sharing and submission, compilation of lessons learned from reconstruction efforts, and support to international conferences.

Regarding the damage by Typhoon Haiyan (called

Yolanda in the Philippines), which struck the middle part of the Philippines on November 8 and 9, 2013, JICA provided information on the study of reconstruction processes from large-scale disasters, and officials from Higashimatsushima City, Miyagi Prefecture, visited the damage area and gave advice based on the experiences of the Great East Japan Earthquake.

JICA uses Japan's experience of recovery and reconstruction from large-scale disasters, including the Great East Japan Earthquake, for international cooperation to developing countries.

## 1. Tohoku Earthquake Reconstruction Support

- (1) Accommodation of people unable to return home, shelter for evacuees, provision of disaster prevention supplies and storage space, and donation of money collected
- (2) Dispatch of JICA staff to NGOs, municipalities, and universities, offering of office space to NGOs, and dispatch of assistants to schools in the disaster area to support operations
- (3) Coordination of international assistance from overseas, such as the Office for the Coordination of Humanitarian Affairs (UNOCHA), the United Nations Disaster Assessment and Coordination (UNDAC), and the Israel Medical Team
- (4) Assignment of reconstruction promoters in Higashimatsushima City
- (5) Dispatch of former JICA volunteers to the disaster area through cooperation with the Reconstruction Agency and the Japan Overseas Cooperative Association [ → see Case Study on page 109]
- (6) Cooperation with the Higashimatsushima Organization for Progress and Economy, Education, Energy (HOPE) by acceptance of officers from Banda Aceh City, Indonesia
- (7) Transmission of support messages from domestic and overseas sources
- (8) Support of visits by Japanese teachers to the foreign damage area
- (9) Dispatch of officers of Higashimatsushima City to the areas affected by Typhoon Haiyan in the Philippines
- (10) Implementation of JICA Partnership Program projects in Indonesia, the Philippines, and Cambodia, proposed by the damage area of Higashimatsushima City, Kesennuma City, and Tagajo City [ → see Case Study on page 113]

## 2. Information Sharing and Submission

- (1) Implementation of the training course on the reconstruction process for the Great East Japan Earthquake
- (2) Holding an exhibition about disaster resilient national buildings, Japan, and disaster prevention and reconstruction support
- (3) Holding a photo exhibition to introduce former JICA volunteers who supported the reconstruction process in Fukushima
- (4) Briefing to JICA volunteer candidates about the present situation and reconstruction in Fukushima
- (5) Introduction of overseas reconstruction support and JICA actions in school classes

## 3. Compilation of Lessons Learned from Reconstruction Efforts

- (1) Implementation of the study of reconstruction processes after large-scale disasters and the study of the mainstreaming of disaster prevention
- (2) Implementation of study of the disaster reconstruction support approach
- (3) English translation of command guidelines for initial disaster response prepared by the Tohoku Regional Bureau of the Ministry of Land, Infrastructure, Transport and Tourism

## 4. Support to International Conferences

- (1) Co-sponsorship with the government of the World Ministerial Conference on Disaster Reduction in Tohoku
- (2) Support for the Sendai Dialogue — a Special Event on Managing Disaster Risk in the program of the 2012 International Monetary Fund–World Bank Group annual meetings
- (3) Co-sponsorship with the World Bank of the seminar titled Sharing Lessons from the Great East Japan Earthquake with the World
- (4) Preparation for the UN World Conference on Disaster Risk Reduction





Cambodia: Children at a primary school in Cambodia. Clean water is supplied by facilities developed by JICA's assistance.

# 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 development of legal systems, transitioning to a market economy, peacebuilding and 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 Components

#### 1. Dispatch of Experts

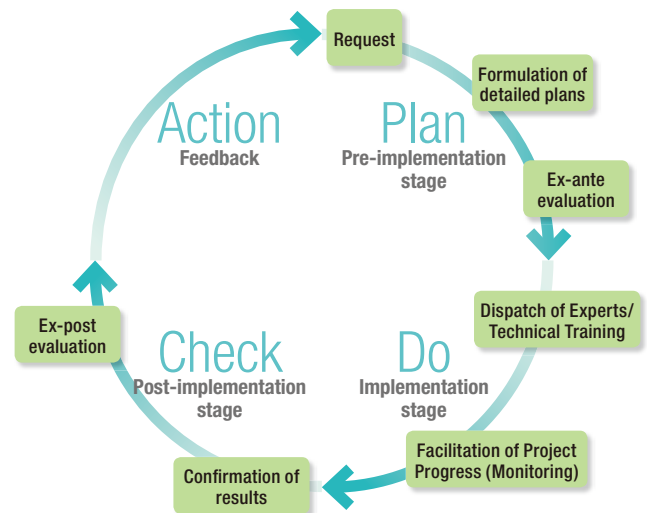
Japanese experts are dispatched to developing countries to provide necessary technologies and knowledge to government officials and engineers (the counterparts of the partner country). At the same time, they cooperate with these counterparts to develop/disseminate technologies and systems that are suitable to the partner country. Depending on the historical background, language, and regional characteristics of the partner country, JICA can also dispatch experts from third countries (countries other than Japan or the partner country) in order to deliver services more efficiently.

#### 2. Technical Training

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 (e.g. Group and Region-focused Training Programs, Training Programs for Young Leaders). JICA also organizes



Project for the Extension of Inland Aquaculture (Benin): An expert is checking catfish and tilapia at a farm house, for the purpose of promoting inland aquaculture (Photo by Masataka Otsuka)



overseas technical training programs in third countries.

#### 3. Provision of Equipment

Equipment needed by experts etc. 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, monitoring and evaluating the project in a systematic and comprehensive manner [ → See the figure].

### Implementation Process

#### 1) Project Identification and Formulation

JICA identifies and formulates projects through discussions with the government of the partner country, information gathering by JICA overseas offices, preparatory surveys and other activities.

#### 2) Request and Approval

Based on the request from the partner country, the Ministry of Foreign Affairs of Japan, related ministries and agencies and JICA decide on the approval of the project. Approved projects are reported by the Japanese government to the partner country and a note verbale concerning the cooperation is exchanged through the diplomatic channel.

#### 3) Planning/Ex-Ante Evaluation

In order to clarify details and expected outcomes of the project and examine the appropriateness of implementation, a detailed planning survey is conducted. Five evaluation criteria, namely relevance, effectiveness, efficiency, impact, and sustainability, will be evaluated as part of ex-ante evaluation.



Project for Improving Livelihood of Small-scale Farmers in Cajamarca (Peru): An expert is checking for diseases of purple corn and giving advice to the local counterparts, in order to improve the livelihood of the small-scale farmers. (Photo by Kosuke Okahara)

#### 4) Project Implementation/Monitoring Project Progress

JICA and the government organization of the partner country sign Record of Discussions (R/D) regarding project implementation, details of the activities and necessary measures.

During the project, based on the plan formulated at the planning phase, JICA and partner organizations implement the project with periodical monitoring. Then, the outcomes are reviewed at the end of the project.

#### 5) Follow-up/Ex-Post Evaluation

Although projects usually finish after a certain period, complementary assistance will be provided as necessary. Ex-post evaluation is conducted several years after the project completion and the 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' policy formulation and master plans, JICA provides technologies, such as survey/analysis methods and planning methods to the counterparts in the partner country.

Following the completion of this cooperation, developing countries are expected to conduct the followings.

- 1) Formulate plans for sector/regional development or rehabilitation/reconstruction by utilizing the recommendations;
- 2) Implement plans (project) by raising funds from international organizations and others; and/or
- 3) Carry out the recommended organizational/institutional improvements.

### 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 [environment, energy, natural disasters (disaster prevention), infectious diseases, food supplies and other problems that require global cooperation] by using partnerships that encompass universities and research institutions, etc. in Japan and those in developing countries.

This is a joint project by Japan Science and Technology Agency, Japan Society for the Promotion of Science, and JICA

[ → See page 114 for details].



Project for Supporting Social Welfare Administration -Promotion of the Social Participation of the Deaf Community Phase 2 (Myanmar): A skill improvement course is being provided for sign language trainers. (Photo by Shinichi Kuno)

# JICA's Training and Dialogue Program

## Making the Training Program More Effective and Efficient

### ● Aiming for Constant Improvement

JICA's Domestic Strategy and Partnership Department and the domestic offices have been managing and operating the JICA's Training and Dialogue Program, the Citizen Participatory Cooperation Program 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<sup>1</sup> engaged in the implementation of cooperation activities in developing countries.

The JICA's Training and Dialogue Program is one of the JICA's major activities conducted in Japan. Government officials and people in different fields from developing countries come to Japan to participate in the program with the cooperation of partner organizations and communities in Japan. At this event, individuals acquire expected technologies and knowledge to tackle the development issues of each country.

In the JICA's Training and Dialogue Program confirmations are performed to be certain that each training course matches the priority development issues of the participating countries, and the lineups are prepared based on a policy that the program focuses exclusively on cooperation programs associated with these development issues. In addition, JICA continuously works on making the training program more effective and efficient by considering the content to be covered in each course theme by theme, such as education or agriculture, while also monitoring changes and trends in other cooperative schemes.

Formulating the best possible courses require determining whether or not each course is suitable to be held in Japan. This is why JICA has also begun to select the necessary training courses based on the knowledge and know-how of the JICA domestic offices that are monitoring and practicing the characteristics of

each region of Japan.

To make the training program more effective, it is also important to maintain the relationship among program participants after returning to their home countries and also to make good use of information-exchange opportunities such as sharing success stories and good practices. Various actions are being used to build stronger networks, for instance by operating a Facebook page for the participants.

### ● The Multifaceted Benefits of the Training Program

The goal of the JICA's Training and Dialogue Program is to contribute to solving development issues in partner countries; meanwhile, the program also has produced many other benefits.

To date, over 310,000 people have participated in the JICA's Training and Dialogue Program, 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 some training activities designed in the training program benefit Japanese society too. For instance, companies could obtain direct information about developing countries and build relationships that may lead to the start of overseas operations. In addition, students at universities that hold training courses could acquire a greater global perspective by interacting with the participants. As a result, the training program creates additional benefits of invigorating various regions of Japan and fostering its people with global skills and knowledge.

Again, the JICA's Training and Dialogue Program contributes to solving issues in developing countries. Fostering Japan experts

1. JICA has five Thematic Departments at Headquarters: Infrastructure and Peacebuilding Department, Human Development Department, Global Environment Department, Rural Development Department and Industrial Development and Public Policy Department.



Participants from Myanmar receiving a lecture about the medical care system in an isolated area from the Okinawa Prefectural Ohara Clinic (Group and Region-focused Training Course: Strengthening of Community Health Systems for Infectious Diseases Control (A))



Participants from Banda Aceh, Indonesia pulling up a fixed shore net to catch salmon together with the local fishermen in Higashimatsushima City, Miyagi Prefecture (Group and Region-focused Training Course: New Challenges for Regional Development in the Reconstruction Process)

and Japanophiles, revitalizing Japanese local areas, and fostering global human resources are other important benefits of the program. Consequently, JICA implements its training program by identifying these significant benefits.

### ● Globally Unique Training Program

The implementation methods for Technical Cooperation can be divided into two categories; one is overseas cooperation by dispatching experts from development sectors and volunteers to developing countries; the other is domestic cooperation by inviting participants from developing countries to Japan. The JICA's Training and Dialogue Program refers to a variety of training courses under the domestic cooperation.

Implementation of training program in Japan has significance with regard to the utilization of Japan's development experience and know-how, rather than only sharing Japan's advanced technologies and skills. To learn and understand Japan's knowledge, skills, and experiences, it is often required to practice on-site experience concerning Japan's institutional know-how, and the background and the transitions underlying the Japanese social system.

Moreover, a particular characteristic of the JICA's Training and Dialogue Program is to provide an opportunity for participants to become aware of and reexamine the experience and the actual circumstance of their own countries from outside by experiencing Japan. Hence, participants get to be able to tackle various development issues in their home countries with a different perspective.

Among the JICA's Training and Dialogue Program, Group and Region-focused Training, in which participants are from several different partner countries, gives opportunities to participants examining a variety of issues not only from the perspectives of Japan and their own countries, but also from a multifaceted viewpoints among all participating countries by exchanging

opinions and information. The training thus offers valuable insights and discoveries to each participant.

The JICA's Training and Dialogue Program is an essential tool of Technical Cooperation by utilizing Japan's unique knowledge, skills, and experiences to promote human resource development and to solve development issues in developing countries.

JICA hosts approximately 11,000 training participants every year in cooperation with its 10 domestic offices and three branch offices across Japan. The majority of the participants are affiliated with the partner governments. However, there has been an increase in NGO-affiliated participants and private-sector participants reflecting the diversified needs of developing countries and capacity expansion of Japan's cooperation programs.

The training program is 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 the training program dealing with sophisticated but vast development issues.

The JICA's Training and Dialogue Program is truly unique in terms of scale and sphere of activities and is an outstanding characteristic of Japan's international cooperation.



In March 2013, a Facebook page for the program participants was set up to maintain and deepen the network among the participants and the relevant organizations for further cooperation.

# 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, water supply and sewerage systems, 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 Aid 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

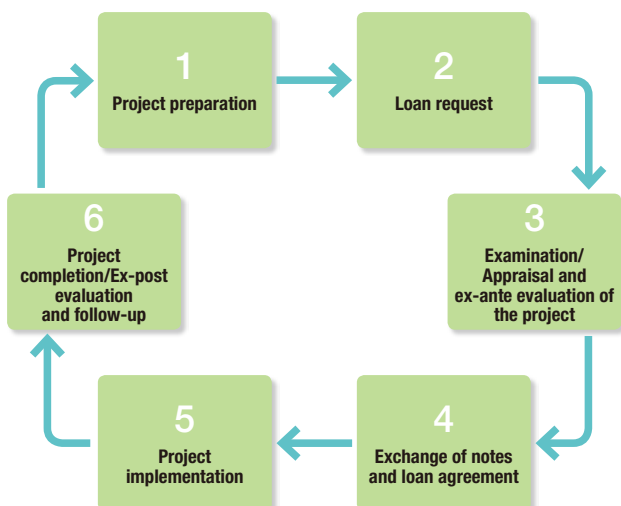
### ● Support and Emphasize Ownership by the Developing Country

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 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 an 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

ODA Loan Project Cycle



the 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 and/or for conducting civil and other related works.

##### 2) Engineering Service (E/S) Loans

Engineering Service (E/S) loans are for engineering services necessary in the course of 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 people with low income. 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's 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 the economies of developing countries, commodity loans provide settlement funds for urgent and essential import of materials to the 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 and agricultural and other kinds of machinery, the specifics of which are agreed on 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 investment for sector-specific development.

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. Private-Sector Investment Finance was fully resumed in 2012 after completion of a pilot phase that started in 2011.

### ● Scope of Support

Private-Sector Investment Finance is for such projects with high levels of development effectiveness in developing countries as fall within 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 among the departments concerned, JICA conducts portfolio management for the whole of Private-Sector Investment Finance through an independent account<sup>1</sup> and is reinforcing its capacity for project implementation, risk assessment and management.

## 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 as well as European and U.S. donors greatly boost their support for

1. In the Private-Sector Investment Finance independent account, loans totaled ¥1.3 billion and affiliate companies' stock was ¥67.3 billion as of March 31, 2014. Ordinary revenues were ¥24.5 billion (including dividends on investments of ¥24.4 billion) and net income was ¥20.2 billion in the year ended March 31, 2014. The independent account received the assets of the Private-Sector Investment Finance operations on October 1, 2008, 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 loss on valuation of affiliated companies' stock, loss on investment securities, interest on borrowing, provisions for the allowance for possible loan losses, outsourcing expenses, and other items involving Private-Sector Investment Finance. Revenues and expenses that are not directly related to Private-Sector Investment Finance, (depreciation, real estate expenses, personnel expenses, and etc.) are not included in the independent account revenues and expenses.

#### Case Study Philippines: Stand-By Emergency Credit for Urgent Recovery

### In Preparation for Possible Future Disasters

**JICA signed an ODA Loan agreement with the Government of the Philippines to assist in urgent recovery in case of large-scale disasters and to enhance the country's capacity to reduce and control disaster risks.**

#### First Provision of Stand-By Emergency Credit for Urgent Recovery

In March 2014, JICA signed an ODA Loan agreement with the Government of the Philippines to provide a ¥50 billion ODA Loan for "Post Disaster Stand-by Loan." This is the first provision of JICA's scheme "Stand-by Emergency Credit for Urgent Recovery (SECURE)" which aims to promptly respond to the financial requirements of post-disaster recovery activities.

The Philippines is regarded as one of the most disaster-prone countries in the world. Natural disasters affect the country every

year, causing enormous economic and human losses as well as frequent damage to social infrastructure. Such damage has affected the economic activities of the country in the long-term. Most recently, November 2013 witnessed Typhoon Yolanda directly hit the islands, including Leyte, Samar, Cebu, Panay, Bohol, and Negros, causing catastrophic damage and more than 6,000 deaths.

With climate change, there are growing concerns about future disasters due to possible occurrences of stronger storms and sea level rise in coastal areas. Hence, responding to disaster risks has been an urgent priority of

the Government of the Philippines.

In order to act on these circumstances, the Government of the Philippines has intended to improve its capacity on disaster risk reduction and management through setting policies, which include: (1) formulation of the National Disaster Risk Reduction and Management Plan, as well as capacity enhancement of Local Government Units; (2) introduction of integrated water resources management; and (3) information management on disaster risk reduction and management.

This loan agreement aims to strengthen the country's capacity on disaster risk reduction and management by assisting the Government of the Philippines on implementation of policy actions, together with responding to temporary financial needs in large-scale disasters.

# Grant Aid

## Financial Cooperation for Building Life 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 sectors, including development of social and economic infrastructure as well as education, HIV/AIDS, child health, the 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 of executing diplomatic policies, JICA is responsible for providing Grant Aid and handles related operations, including preparatory surveys, advice and guidance to the partner country for project implementation, and post-project management.

### ● Procedure for the Implementation of a Grant Aid Project

#### 1) 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 the country's current situation, objectives for project implementation, scale of cooperation, operation and management structures if implemented, and the expected outcome. Based on this information, necessary costs are calculated.

#### 2) 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 the project, and then examines the content 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.

#### 3) Exchange of Notes and Grant Agreements

After approval by the Cabinet, the government of the partner country and the Japanese government sign documents called the 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.

#### 4) Project Implementation

At the project implementation stage following the signing of the Exchange of Notes and the 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.

#### 5) Post-Project Management

After cooperation is completed, the government of the partner country handles operations and maintenance. However, there are cases when equipment breakdowns or other unexpected problems occur. In such circumstances, JICA provides Follow-up Cooperation [[→ see page 136 for details](#)] 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 in Terms of the Portion Implemented by JICA

Scheme Name	Outline
<b>Grant Aid for General Projects</b>	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 transportation vehicles, etc.
<b>Grant Aid for Community Empowerment</b>	Support for comprehensive skills development in communities faced with threats to human life or safe living
<b>Grant Aid for Conflict Prevention and Peacebuilding</b>	Support for spreading the necessary economic and social infrastructure in post-conflict countries
<b>Grant Aid for Disaster Prevention and Reconstruction</b>	Disaster prevention assistance and post-disaster reconstruction assistance
<b>Grant Aid for Environment and Climate Change</b>	Support for adoption of policies and planning related to climate change countermeasures, etc., and for related projects
<b>Grant Aid for Poverty-Reduction Strategies</b>	Public financing support for countries implementing poverty-reduction strategies
<b>Grant Aid for Human Resources Development (Scholarships)</b>	Support for training young administrative officials
<b>Grant Aid for Fisheries</b>	Support for projects promoting the fisheries industry
<b>Cultural Grant Assistance</b>	Support for equipment procurement and facilities development needed for promotion of culture, etc.
<b>Grant Aid for Cooperation on Counterterrorism and Security Enhancement</b>	Support for strengthening piracy countermeasures and other public security policies



## ● New Efforts

### 1. Implementation of Grant Aid Programme

#### (Promotion of Restoration, Reconstruction, and Other Activities)

When assisting restoration or recovery from disasters or disputes, prompt and flexible responses to a variety of rapidly changing needs are required. Based on the lessons learned in past activities, such as the Grant Aid Projects for the Sumatra Earthquake and the Indian Ocean Tsunami, JICA, together with the Ministry of Foreign Affairs, has launched a Grant Aid Programme to use multiple procurement types under one Exchange of Note and Grant Agreement in a flexible manner.

In fiscal 2013, JICA signed a Grant Agreement for the Project for Urgent Improvement of Water Sector for the Host Communities of Syrian Refugees in Northern Governorates (Jordan), and also formulated a program to restore and reconstruct from disasters caused by Typhoon Haiyan (Yolanda) in the Philippines. [[→ see the Case Study](#)]

### 2. Additional Grant

JICA, together with the Ministry of Foreign Affairs, has improved the procedure to amend a Grant Aid Project to promptly and properly cope with, for instance, effects of rapid changes in foreign-exchange rates. It was applied in fiscal 2013 to a total of nine projects, such as the Project for Restoration of the Democracia Bridge in Honduras.

Together with the Contingency Fund, which has already been implemented on a trial basis, it has been improved to flexibly cope with unexpected risks in developing countries, such as a sudden rise in material costs, discrepancies between construction terms and the actual construction site, deterioration of public order and political instability, and natural disasters, in order to assist project implementation by Japanese contractors.

#### Case Study

### Assistance with Grant Aid That Will Stimulate Business Environment

## Export Enhancement of Infrastructure Systems

### Assisting Operational Improvement of the Central Bank of Myanmar

Global demand for infrastructure is huge, including in developing countries and mainly in newly emerging countries, and infrastructure development is indispensable to the sustainable growth and social development of those countries.

As a way to enhance development of infrastructure and business environment in developing countries, Japan utilizes ODA to promote technologies, know-how, and other excellent qualities of the country to make them global standards, through acceleration of infrastructure export by Japanese companies.

In line with the Japanese government's policies, JICA continues to assist Myanmar,

which received the largest amount of Grant Aid in both fiscal 2012 and fiscal 2013, through modernizing the operational infrastructure of the Central Bank.

A Grant Agreement for operational information and communications technology (ICT) systems was signed in October 2013 in order to maintain and improve creditability of the financial sector and to rectify inefficient operations at the Central Bank.

This project is expected to increase efficiency of the Central Bank's operations and further to



Office space at the Central Bank of Myanmar: many tasks such as fund settlements and securities settlements are controlled manually by using ledger sheets.

modernize the financial sector in Myanmar through high technology and know-how in ICT systems provided by Japanese companies and related entities.

#### Case Study

### Philippines: Creation of a Grant Aid Programme to Support Restoration and Reconstruction from Disasters Caused by Typhoon Yolanda

## Build Back Better: An Effort to Reconstruct the Stricken Area to a Better State

### Building Disaster-Resistant Society

Typhoon Haiyan, called Yolanda in the Philippines, formed in November 2013 and struck the Visayas and surrounding areas of the central Philippines, causing over 6,000 deaths, over one million damaged houses, and over four million evacuees.

JICA, while dispatching the Medical Team of Japan Disaster Relief Team to the site, providing emergency supplies and other supports, studied the needs with medium- and long-term restoration and reconstruction in its scope and

considered how best to provide support using Grant Aid. In this process, JICA shared with the Government of the Philippines the concept of build back better, aiming not only to recover a disaster-stricken area to its previous state but also to reconstruct it to a better state, which has been reflected in Grant Aid planning policies.

With Grant Aid, JICA is looking at early restoration and reconstruction of social infrastructure such as medical facilities, schools, and local government facilities; economic infrastructure such as airports and electricity;

and disaster-prevention infrastructure such as weather radar, to assist building a disaster-resistant society in the Yolanda-stricken area.

JICA is on track for early implementation of these measures, with technical advice based on past experiences that include reconstruction after the Great East Japan Earthquake, and in cooperation with the Project on Rehabilitation and Recovery from Typhoon Yolanda, an emergency aid survey to provide assistance in activities such as creation of mid- to long-term restoration plans to build a disaster-resistant area.

# 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 each project has ended to assess the partner country's self-help efforts in maintaining and enhancing the results of the project. JICA also provides supplementary support when necessary. Such support is referred to as "Follow-up Cooperation," which is divided into two categories.

#### 1. Follow-up Cooperation to Solve Problems with Facilities and Equipment

This type of cooperation involves working with partner countries to solve problems that may have arisen with facilities constructed by or equipment provided through JICA'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 partner countries due to worsening economic situation, or problems with the maintenance of the facilities or equipment.

For example, Japan has provided support for television industry in Afghanistan since the 1970s. To further develop the industry, JICA provided the country with the Grant Aid project to install broadcasting facilities and necessary equipment in 2002 and 2003. This contribution allowed 24-hour broadcasting in multiple languages.

However, 10 years after the operation was conducted, the broadcasting facilities came to have problems with their equipment due to aged deterioration. Since their self-help efforts were not effective enough to cope with the problems, JICA supported the renewal and repair of the equipment under Follow-up Cooperation.

In consideration of technical renovation, not only was digital program production equipment installed at the facilities, but also JICA invited media engineers to Japan to undertake training programs for smooth operation of broadcasting equipment. This Follow-up Cooperation enabled ongoing stable TV broadcasting; this support contributes to improving the lives of the Afghan people.

#### 2. Follow-up Cooperation to Expand Project Benefits

Another type of Follow-up Cooperation is the provision of additional support to partner countries to add new value to completed projects or training programs in line with their project goals, thereby spreading and expanding the benefits that accrue from a project. For example, in 2012, some training program participants from Kazakhstan received trainings in Japan that aimed at strengthening disaster management administration. They were impressed with Japan's earthquake-resistant construction technologies and efforts for community based disaster management. This experience encouraged them to organize a seminar in their country to popularize such disaster management technologies and concepts.

In August 2013, the seminar was successfully held through the support of Follow-up Cooperation. The venue for the seminar was Almaty, a city with the largest population in Kazakhstan. This city has many aging buildings constructed in the period of the former Soviet Union; therefore, it is predicted that a large earthquake would inflict enormous damage on the city. The urgent issue for Almaty



An Afghan engineer receiving an explanation about how to use a television camera (photo credit: Sony Corporation)

was to renovate these buildings to be earthquake-resistant and also to raise public awareness of disaster management. In the seminar, presentations were made by central and local officials of the Ministry of Emergency Situations, where the former training program participants are employed, as well as by staff members of the Almaty Disaster Prevention Bureau and research institutions. Moreover, participants from the Asian Disaster Reduction Center introduced Japan's efforts to other seminar participants, and outcomes of the training program in Japan were shared among them.

### ● Support for Alumni Associations of Former Training Program Participants

Since the program's establishment, JICA has hosted in Japan more than 310,000 training program participants from developing countries. These participants will play key roles 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 through Follow-up Cooperation. As of 2013, there were 130 alumni associations around the world.

For instance, in ASEAN countries, training participants who had participated in the "Training Programme for Young Leaders" (former Youth Invitation Program) set up alumni associations in their countries. This activity spread to the whole ASEAN region, and the "ASEAN Japan Friendship Association for the 21st Century (AJAFA-21)" was formed in 1988. This organization plays a key role in active interaction among former training participants in the ASEAN countries, by holding interchange forums and association conventions every year.

In February 2014, the Youth Alumni Association of Indonesia hosted an international conference in Jakarta, under the theme "For Sustainable Urban Development in the ASEAN Countries and Formation of the ASEAN Community for 2015." This conference was successfully held by taking advantage of their networks and eliciting cooperation from relevant institutions in Japan and local banks etc.

Furthermore, this conference had many participants from various fields, such as the ASEAN Secretariat, the Japanese Delegation to ASEAN, the Japan National Tourist Organization, the Japan Foundation, and the local governments. Seventy participants from nine countries, including representatives of each ASEAN country, affirmed the importance of further partnership between Japan and ASEAN in various fields, such as disaster management. To put it another way, this event symbolized the bond between Japan and ASEAN.

# 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, providing multilingual content, and supporting video conferences. By transcending time and distance restrictions, these activities improve the efficiency and quality of JICA projects.

JICA-Net was launched to put into practice the Comprehensive Cooperation Package to Address the International Digital Divide, an initiative of the Japanese government 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 volume of digital content, including multimedia-based learning materials, reference materials for distance lectures and seminars, and the expansion of overseas video-conference network bases.

In fiscal 2013, the JICA-Net video-conference system was utilized approximately 7,200 times, with around 11,600 connection hours. At present, the systems have been installed at 18 JICA offices in Japan and at 78 network bases in 75 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 events.

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 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, the Dominican Republic, and Colombia — participated in the Region-focused Training Program on the Study on Education Improvement of Training Courses of Teacher. After finishing the training course in Japan, the video-conference system was used to maintain the relationship among participants and to share the information gained through 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 are digitalized materials consisting of various content such as video, photographs, animation, and text. They are prepared mainly as training materials for JICA's Technical Cooperation projects, and are used in ways such as sharing knowledge on JICA projects with people

## JICA-Net Library

The JICA-Net Library is operated to assist JICA activities by storing and publishing multimedia-based learning materials, seminar materials, and other digital content that were developed in JICA's technical cooperation projects.



JICA-Net digital content is distributed through the JICA-Net Library.

from developing countries and with JICA partners. Currently, approximately 270 titles of multimedia learning materials are available mainly in English, Japanese, French and Spanish.

Furthermore, some of them are available in other languages as the need arises. They are utilized to disseminate knowledge and lessons such as Japan's own experiences and good practices in international cooperation projects extended to developing countries.

For example, the project titled IRODORI: Rural Community Empowerment through Exploring Local Resources, which introduces regional development experiences that exploit local resources in Kamikatsu-cho, Tokushima Prefecture, has been translated into seven languages, including Sinhalese and Persian, and is widely utilized in many countries and regions.

### ● Providing Digital Content Via the JICA-Net Library

The JICA-Net Library stores syllabi and training-course plans, reference materials for remote lectures and seminars as well as a wide range of multimedia-based learning materials for counterparts and partners of JICA activities across borders to share and reuse. As of March 2014, approximately 550 files are stored in the JICA-Net Library; anyone can search the stored content from anywhere in the world through the Internet.

JICA-Net Library URL:

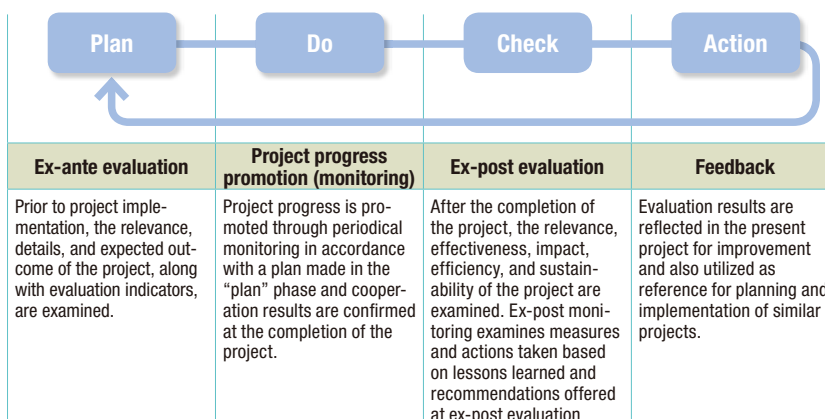
<http://jica-net-library.jica.go.jp/en2/index.html>

# Operations Evaluation

JICA uses the plan-do-check-action (PDCA) cycle to conduct evaluations of all projects and programs, including Technical Cooperation, Loan Aid, and Grant Aid. JICA’s monitoring and evaluation utilize a common framework that encompasses the pre-implementation, implementation, post-implementation, and feedback stages, while reflecting on the features of each aid scheme, the assistance period and time frame for expected results.

By conducting evaluations along with the PDCA cycle, JICA aims to improve the development results of the operations.

The PDCA Cycle



## ● Characteristics of JICA’s Evaluations

### 1. Steps of Evaluation along the PDCA Cycle of a Project

[ → see the figure above]

### 2. Coherent Methodologies and Criteria for All Three Assistance Schemes

JICA aims to conduct evaluations and utilize the findings based on a consistent framework and a standardized evaluation methodology, while taking into consideration the characteristics of each assistance scheme.

For example, JICA conducts monitoring and evaluations based on the PDCA cycle, using the Criteria for Evaluating Development Assistance laid out by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) as an international ODA evaluation criteria. Also, evaluation results are published based on a rating system developed by JICA.

Evaluation Perspectives Using the DAC Criteria for Evaluating Development Assistance	
<b>Relevance</b>	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?
<b>Effectiveness</b>	Measures the extent to which a program or a project attains its objectives.
<b>Impact</b>	Examines positive and negative changes as a result of the project. This includes direct and indirect effects and expected and unexpected effects.
<b>Efficiency</b>	Measures the outputs in relation to the inputs to determine whether the aid uses the least costly resources possible to achieve the desired results.
<b>Sustainability</b>	Measures whether the benefits of the project are likely to continue after the closure of the project.

### 3. Cross-Sectional and Comprehensive Evaluation through a Thematic Evaluation

JICA conducts thematic evaluations, in which certain thematic issues, such as regions, sectors, and assistance modalities, are selected; the evaluations of those projects that fall in the same category are then comprehensively analyzed and examined.

Identification of common trends and issues often seen in certain thematic issues as well as comprehensive analysis, where a number of projects are compared to derive characteristics and good practices for each thematic issue, are parts of this process. Thematic evaluations are designed to provide recommendations and lessons relating to each theme. Furthermore, evaluations are also conducted for the purpose of developing evaluation methods themselves, like new evaluation modalities for cooperation programs.

### 4. Ensuring Objectivity and Transparency

JICA conducts external evaluations in the ex-post evaluations that 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 incorporate the perspectives of third parties in evaluations, advice on the evaluation framework, structure, and methods is provided by the Advisory Committee on Evaluation, comprising third-party experts.

### 5. Use of Evaluation Results and Assurance and Improvement of Evaluation Quality

The purpose of JICA’s project evaluations covers quality improvement of the “plan” and “do” phases of the PDCA cycle by using evaluation results of the “action” phase: the use of evaluation results or feedback. To achieve this, JICA continuously works on ensuring and improving its evaluation quality.

JICA utilizes recommendations, lessons learned and overall analysis and evaluations from thematic evaluations to assist establish JICA’s strategies for cooperation, including cooperation programs and the JICA Thematic Guidelines.

JICA will provide feedbacks on evaluation findings to recipient governments so that the findings can be incorporated in the projects, programs, and upstream policies, such as the development policies of the recipient governments.

# 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, and/or ecosystem as well as negative impacts on society such as involuntary resettlement or infringement of rights of indigenous peoples.

In order to achieve sustainable development, the project's impacts on the environment and society must be assessed, and costs to avoid, minimize, or compensate for those impacts must be integrated into the project itself.

This internalization of the cost that reduces environmental and social impacts into the development cost is the gist of environmental and social considerations (ESC). JICA's Guidelines for Environmental and Social Considerations (ESC Guidelines) are guides that set 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) apply to the projects that were proposed on and after July 2010<sup>1</sup>. 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/our\\_work/social\\_environmental/guideline/index.html](http://www.jica.go.jp/english/our_work/social_environmental/guideline/index.html)]

## ● Application of the ESC Guidelines

JICA's partners, including host countries, borrowers, and project proponents (hereinafter 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 are 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; Environmental Review in which JICA examines and evaluates the ESC during the review of the project proposal; and Monitoring in which JICA follows up on the 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 provided 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

## 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.

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.

In Environmental Review, JICA confirms the possible environmental or social impacts together with countermeasures to be 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 the 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 website prior to the process.

Monitoring for ESC is carried out by the project proponents etc. Regarding the project in categories A, B, and FI, JICA confirms the results of monitoring of significant environmental impact items for a certain period of time. If any necessity of improvement is identified during monitoring, JICA urges the project proponents, etc. to devise appropriate countermeasures and provides necessary support.

### 2. Reinforcement of ESC

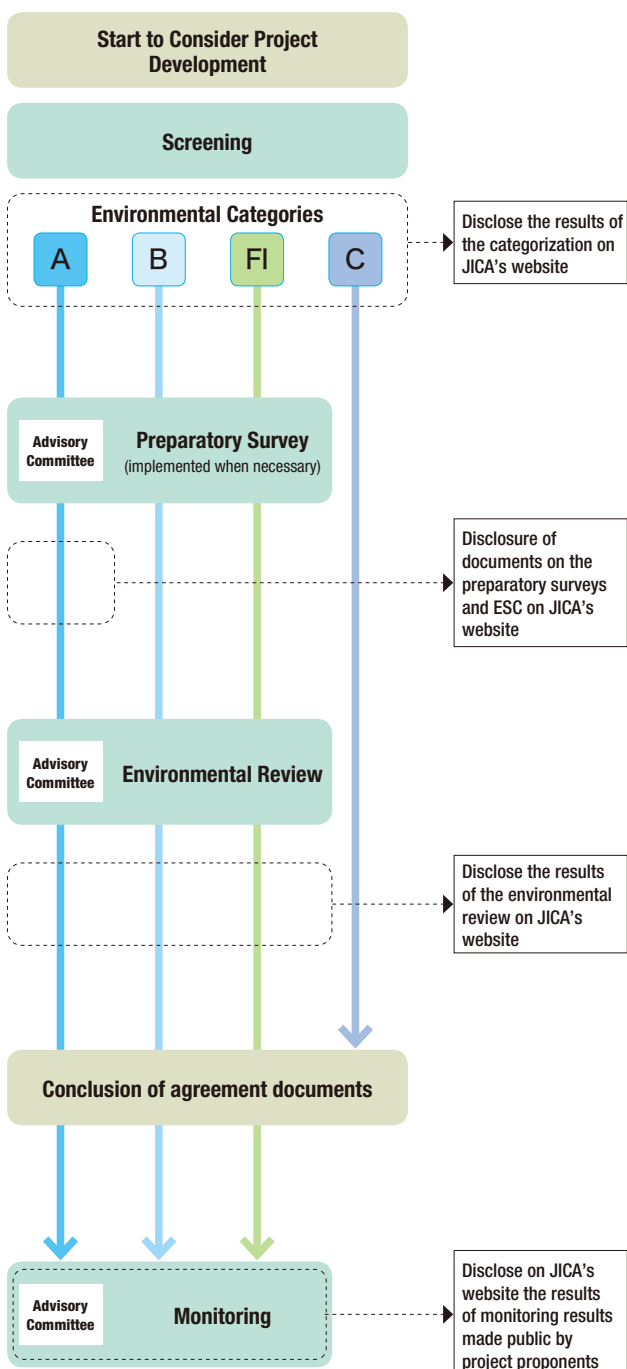
JICA provides various assistance to project proponents etc. to ensure that appropriate ESC are put into practice. For example,

1. 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 on the scheme.

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 project proponents etc. in ESC through Training and Technical Cooperation projects.

Aiming at reinforcing Japan's support system, JICA provides capacity-building programs for consultants etc., as well as collects information on ESC in developing countries. In addition to these efforts, JICA also engages in dialogues and shares information regarding ESC with development partners including the World Bank and Asian Development Bank.

Flowchart for Environmental and Social Consideration Procedures



### 3. Advisory Committee for Environmental and Social Considerations

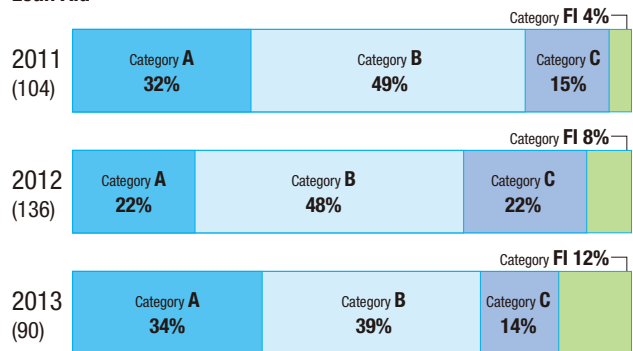
The Advisory Committee for Environmental and Social Considerations has been established by JICA as an independent council that advises JICA on its examination and support of ESC. The committee consists of external experts in the relevant field who were impartially selected following a public advertisement. Provisional members will be appointed according to the needs.

During fiscal 2013, 11 plenary meetings were held as well as 25 meetings of Working Group in which the group of committee members assigned by the plenary meeting investigated the particular project.

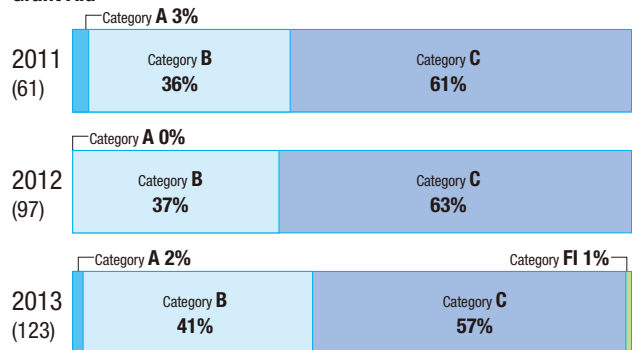
The list of the committee members and the minutes of plenary

Category Composition Trends

#### Loan Aid

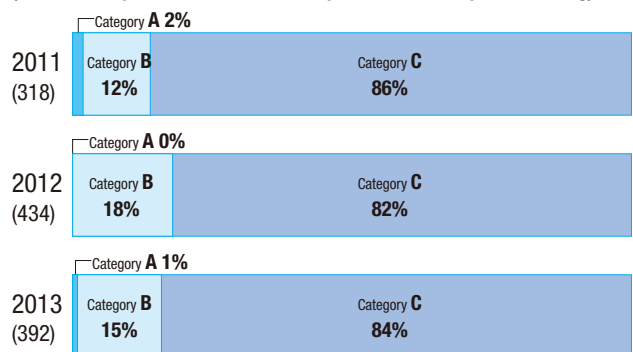


#### Grant Aid



#### Technical Cooperation Projects

(Technical Cooperation and Technical Cooperation for Development Planning)



\*The figures are based on the number of requested projects that the Credit Risk Analysis and Environmental Review Department of JICA screened/reviewed, so they might not correspond with the number of projects for which agreement documents were concluded. Due to the round-off calculation, the total number may not be 100%.

meetings (in Japanese) are available on JICA's website. [[→ http://www.jica.go.jp/environment/advice/index.html](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, residents 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. The 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.

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. [[→ http://www.jica.go.jp/english/our\\_work/social\\_environmental/objection/index.html](http://www.jica.go.jp/english/our_work/social_environmental/objection/index.html)]

No objection was received in fiscal 2013.

#### 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 itself also discloses key information about a project's ESC at appropriate times in the planning stage of a project through the disclosure system based on the ESC Guidelines. For example, JICA discloses the EIA reports of all category A projects on its website.

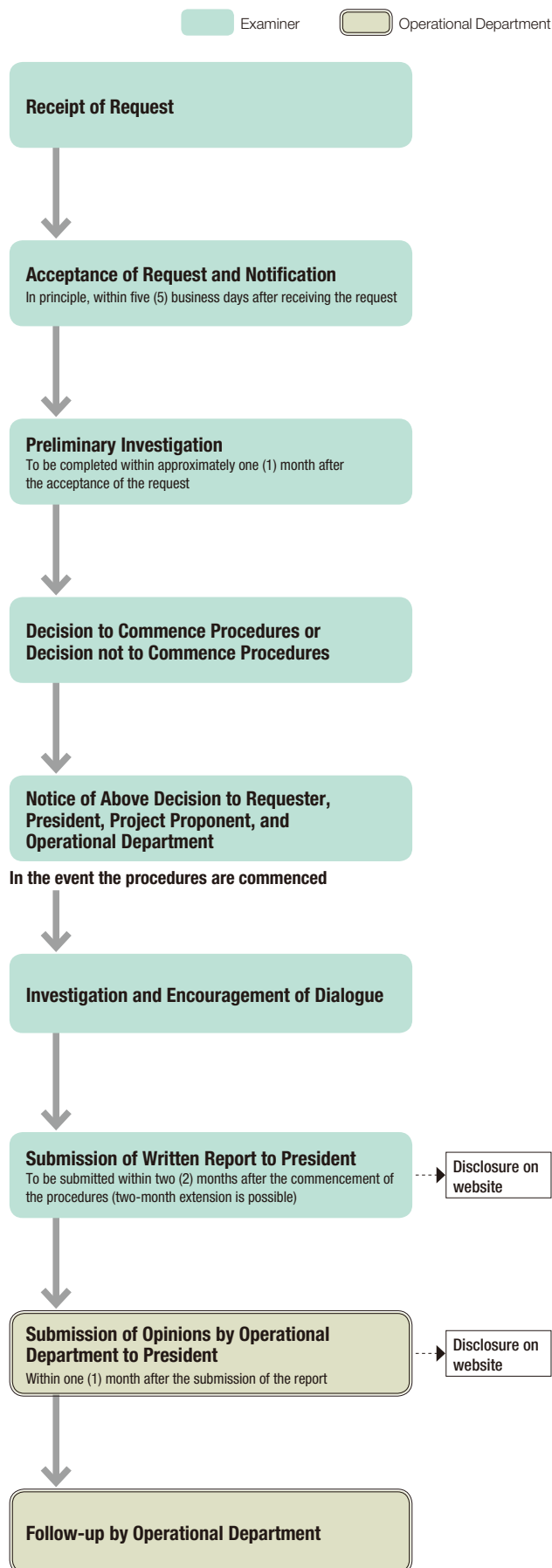
JICA also discloses resettlement action plans of the projects that involved large scale involuntary resettlements. In addition, minutes of the Advisory Committee for Environmental and Social Considerations as well as information on the Objection Procedure are available on the Environmental and Social Considerations page in JICA's website. [[→ http://www.jica.go.jp/english/our\\_work/social\\_environmental/index.html](http://www.jica.go.jp/english/our_work/social_environmental/index.html)]

#### 6. Harmonization with Other Development Partners

The ESC Guidelines state that JICA's 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 those of the international financial organizations, when appropriate.

To this end, JICA actively seeks harmonization of its ESC procedures with procedures of developing 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



Cooperation Modality / Operation, Management and Evaluation

# Risk Management of Finance and Investment Account

The operations of the Finance and Investment Account of JICA involve various risks, including credit risk, market risk, liquidity risk, operational risk and other risks. The nature as well as the volume 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 of increasingly focusing on risk management among financial institutions and regulators, JICA is constantly improving risk management of its 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 is lending. Consequently, the control of credit risk is a major part of JICA's risk management. 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. As for Private-Sector Investment Finance (PSIF), JICA assesses the risk associated with lending to private entities as well as country risk and currency risk.

### 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

When managing credit risks, it is important for JICA to make proper self-assessments of its loan portfolio and implement write-offs and loan loss provisions in a proper and timely manner. Based on the Financial Inspection Manual prepared by Japan's Financial Services Agency, JICA has developed internal rules for assessment. 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. An accurate understanding of asset quality is essential to maintain JICA's financial soundness as well as for disclosure.

### 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 sovereign loans to developing and emerging countries. 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.

JICA bears risks arising from long-term fixed rate interest loans due to the characteristics of its lending activities. 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 2012 in response to the requests from borrowers, JICA bears currency risk that arises if yen-denominated loans are converted into foreign currency-denominated loans. To hedge currency risk, currency swap transactions are

arranged properly.

Moreover, when foreign currency-denominated investments are extended in Private-Sector Investment Finance, the valuation of investments is exposed to exchange risks. JICA manages this 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 and Safety Management

Developing countries are commonly confronted by poverty issues and insufficient security control capability, which lead to increased crime. Some countries face the risk of a coup d'état caused by political instability, and some suffer from long-running civil wars. In some cases peacebuilding activities are required in post-conflict countries where it is politically unstable, and they 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 of developed countries.

In this regard, JICA gives high priority to security and safety measures and risk management in order to ensure safe activities of JICA personnel abroad. Criminal cases involving JICA personnel have been decreasing for the last five years. The number of crimes reported in fiscal 2013 was 418; this is 45 fewer cases than in the previous year. This favorable trend is thought to be due to continuous efforts to disseminate crime-prevention awareness through training programs and guidance for overseas offices and personnel, arrangement of security goods, facilities, and communication instruments, and implementation of guidance through security advisory missions from JICA headquarters.

## ● Implementation of Security and Safety Measures Training for Related Personnel

JICA headquarters conducts security and safety training before dispatching personnel engaged in JICA activities, including staffs, experts, volunteers, and their families. These training sessions focus on prevention and emergency response to crimes such as region-specific crime, selection of housing, dealing with local residents, protection of valuables, as well as response to robbery, car-jacking, or firearms crimes.

Security and safety briefings are organized for newly arrived staff members, experts, and volunteers by the respective JICA overseas offices. Briefings focus on information on domestic security and safety conditions and crime prevention measures taken by JICA. JICA overseas offices hold Security and Safety Meetings one to four times a year to share experiences and lessons learned and provide information on local security and safety conditions. These meetings enable JICA personnel living and working in the same environment to share the latest local safety information, crime experiences and gleanings, and their practical expertise with security measures gained through day-to-day experience.

## ● Security Advisors for JICA Overseas Offices

JICA assigns personnel with public security expertise as Security Advisors in order to reinforce local security and safety measures. There are 86 of these advisors worldwide, and they collect

and distribute domestic and regional security information and have the responsibility of dealing with wide-ranging cases such as residential crimes, traffic accidents, and terrorism. Security Advisors use their extensive knowledge and experiences on both the nature of local crime and Japanese living patterns in order to provide JICA resident representatives with appropriate guidance on security and safety.

In countries without overseas offices, JICA may assign personnel to collect local security and safety information.

## ● Establishment of Emergency Communication System for Overseas Offices and Headquarters

JICA establishes emergency communication systems that cover all relevant personnel in the event of an emergency by means of mobile phones, satellite phones, and radio equipment. Since fast contact and confirmation of the safety of related personnel are essential in emergency situations, these emergency communication networks are placed as a vital pillar of JICA's safety measures. There are 760 satellite phones installed in 87 countries.

JICA headquarters has a standby system of managerial staff members on a rotating schedule so that emergency contacts from overseas offices are able to reach the office 24 hours a day, 365 days a year for quick response.

## ● Dispatch of Security Survey Missions

For countries with particular safety issues or challenges, JICA dispatches security survey missions to assess local conditions, and to then examine specific safety measures. In responding to aid needs, JICA analyses the domestic region-by-region security conditions in a particular country and then makes appropriate decisions on the range of JICA personnel activities. Survey missions were dispatched to 15 countries in fiscal 2013.

In countries with high crime rates, JICA dispatches a security advisory mission to provide direct safety guidance to related personnel. Among other topics, the guidance covers residential crime prevention and how to deal with armed crime. Advisory missions were dispatched to 12 countries in fiscal 2013.

With traffic safety measures, JICA prepares various instruction manuals and distributes these to related personnel. 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 missions to study local traffic and provide instruction on traffic safety. Missions were dispatched to four countries in fiscal 2013.

## ● Security Measures for Residences of Related Personnel

JICA's overseas offices conduct security

checks on the residences of its experts and volunteers to ensure their safety. JICA bears the expenses for the additional crime prevention systems and equipment as necessary. For example, JICA may arrange the cost for allocation of security guards, installation of alarm systems, iron bars, auxiliary locks, the construction of raised fences, the reinforcement of doors and window frames, the replacement of locks, and the installation of auxiliary locks as and when considered necessary.

## ● Sharing of Safety Management Information with Private-Sector Entities

By creating occasions for sharing safety management information with private-sector activities in foreign countries, JICA introduces a summary of safety management. It also provides opportunities to share information on project implementation, the status and challenges of safety measures, and so forth. Training programs for experts and volunteers are also offered to security personnel for external organizations.

## ● Awareness to Avoid the Risk of Terrorism

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 groups in recent years. Consequently, JICA strives to develop 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 Peacebuilding and Reconstruction Assistance Activities

For peacebuilding and reconstruction assistance, JICA conducts programs in post-conflict countries or countries with ongoing conflicts such as Afghanistan, Iraq, eastern Democratic Republic of the Congo, 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, in order to reduce potential risks.

Given the ever-present danger of such unpredictable events as kidnappings, coups d'état, riots, and terrorism, practical know-how in dealing with crisis situations is essential. To that end, JICA has been conducting more practical Security Risk Management Training and Web-based training programs in conjunction with the United Nations High Commissioner for Refugees (UNHCR) eCentre 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.

## ● Mid-term Objective Management and a Performance Evaluation System

To achieve the five-year Mid-term Objective set by the Minister for Foreign Affairs, JICA prepares its Mid-term Plan and obtains approval from the Minister. An Annual Plan is set based on the Mid-term Plan and submitted to the Minister. JICA compiles Performance Report based on these plans every business year and at the end of each Mid-term Objective period. The report is then submitted for evaluation by the Ministry of Foreign Affairs' Evaluation Committee for Incorporated Administrative Agencies (MOFA-ECIAA).

The MOFA-ECIAA evaluates the performance of JICA's operations and management. Evaluation results are made public on MOFA's website. The Ministry of Internal Affairs and Communications' Commission on Policy Evaluation and Evaluation of Incorporated Administrative Agencies (MIC-CPIAA) may state its opinion regarding the evaluation concluded by the MOFA-ECIAA, from a cross-cutting point of view.

At the end of each Mid-term Objective period, the Minister examines the necessity for the continuation of JICA's operations as well as matters in respect of its whole organization and operation and takes necessary measures based on the results. The MIC-CPIAA may give recommendations to the Minister regarding the revision or abolition of the major affairs and business activities of JICA.

## ● Efforts for Achieving Mid-term Plans and Annual Plans

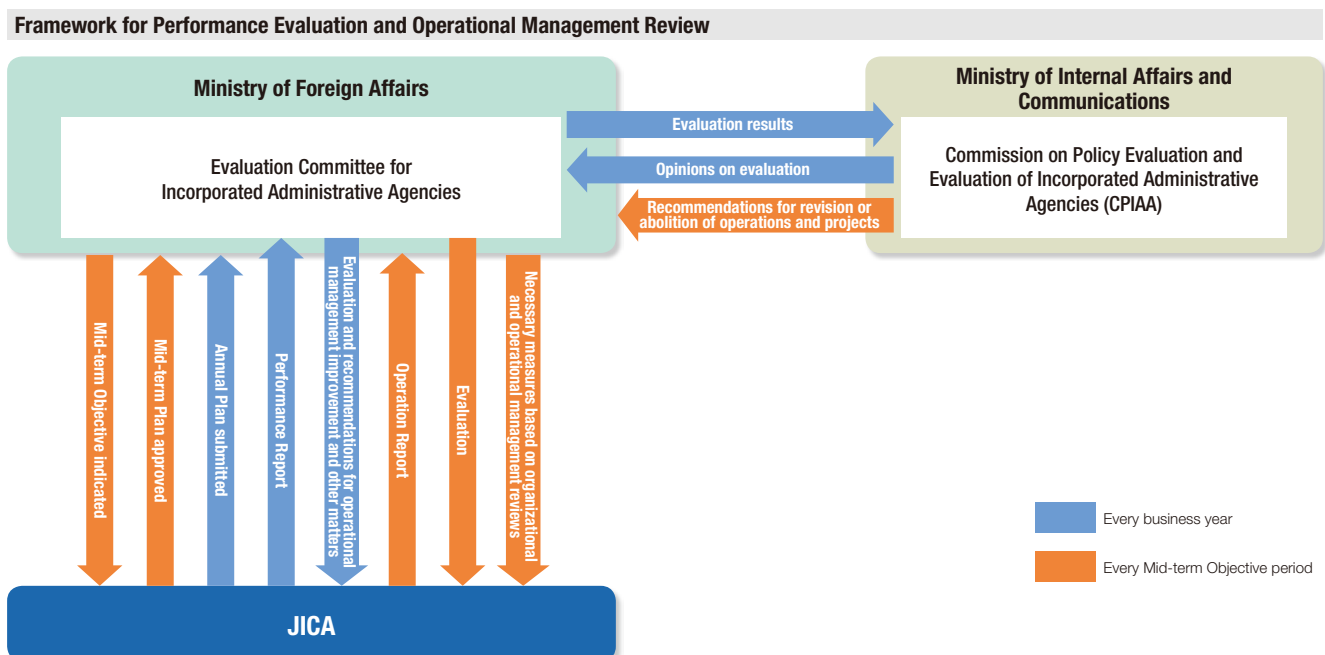
JICA internally monitors the progress of operations to achieve its Mid-term and Annual Plans. Additionally, JICA reviews the content of Performance Report at the Advisory Committee on Performance Evaluation set within JICA, with the participation of external experts.

Based on evaluations made by the MOFA-ECIAA and the MIC-CPIAA and internal monitoring results, JICA takes measures to improve the quality and efficiency of its operations. In the performance evaluation of business year 2012, JICA's achievements in peacebuilding and contribution to leadership in the international community were particularly highly evaluated by the MOFA-ECIAA.

In order to improve JICA's operational quality, the ongoing Mid-term Plan (business year 2012 to 2016) prioritizes formulation and implementation of quality projects that are based on a concept of human security, with focus on poverty reduction, sustained economic growth, addressing global issues, and peacebuilding, which are the Japanese government priority issues for development cooperation.

As specific measures, JICA is proceeding in strategic initiatives based on analyses made for each country, region, issue, and field. Such initiatives include promotion of a program approach that combines Technical Cooperation, Loan Aid, and Grant Aid in a comprehensive manner; reinforcement of partnerships with private enterprises, local governments, NGOs, and universities; and enhancing contribution to Japan's leadership in the international community.

Furthermore, JICA will continuously take measures to improve the flexibility of organizational management, promote competitiveness and transparency in its contracting process, and enhance cost effectiveness.



# 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 Act on Access to Information Held by Incorporated Administrative Agencies (Act 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

Project reports; performance reports; mid-term objectives; mid-term plans, annual plans; etc.

## ● Information Related to Financial Standing

Financial statements, etc.

## ● Information Related to the Evaluation and Audit of the Organization, Operating Results and Financial Standing

Performance 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 non-competitive negotiated contracts; bidding status lists; etc.

## ● Information on Related Entities

Recipients of financing activities; 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

<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

<http://www.jica.go.jp/english/policy/index.html>

### Disclosure Request

Type or request medium	(Reference)					Total	
	FY2009	FY2010	FY2011	FY2012	FY2013		
Postal mail	8	20	4	17	10	59	
Contact points	Headquarters	24	13	13	7	1	58
	Domestic offices	0	0	0	0	0	0
Cases transferred from other organizations	0	0	0	0	0	0	
<b>Total</b>	<b>32</b>	<b>33</b>	<b>17</b>	<b>24</b>	<b>11</b>	<b>117</b>	

### Disclosure Decision, etc.

Category	(Reference)					Total	
	FY2009	FY2010	FY2011	FY2012	FY2013		
Completed	Full disclosure	5	3	1	0	4	13
	Partial disclosure	24	20	14	22	3	85
	Information not disclosed	2	9	1	1	2	15
	Withdrawn	1	1	1	1	0	4
	Cases transferred in full to other organizations	0	0	0	0	0	0
<b>Total</b>	<b>32</b>	<b>33</b>	<b>17</b>	<b>24</b>	<b>9</b>	<b>117</b>	

Notes: 1. This table outlines the manner in which disclosure requests, including those forwarded from other organizations, were handled on an individual request basis.

2. Figures recorded under “Cases transferred in full to other organizations” indicate the number of disclosure requests transferred in full to other organizations in accordance with Article 12 or Article 13 of the relevant act. Cases in which a request was divided and transferred to multiple administrative organizations have been counted as a single request. Cases in which a disclosure request was partially transferred to other organizations have not been recorded under “Cases transferred in full to other organizations”; the portion that was not transferred to other organizations is recorded as one request under “Disclosure decisions” or “Withdrawn.”

3. Figures recorded under “Withdrawn” represent the number of disclosure requests 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.

# 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's Compliance System

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 Japan, it is becoming increasingly important to ensure transparency and fairness of its operational management in accordance with laws, internal regulations and social norms. Compliance system is essential for appropriate operational management.

Based on this awareness, JICA has identified compliance as the highest priority management issue to be addressed by the organization, and defined principles of conduct as 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.

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.

### ● Activities in Fiscal 2013

In fiscal 2013, JICA published "Internal Control of JICA," an overall picture of its internal control, which clearly defines compliance as one of the purposes of internal control.

Aiming at raising the compliance awareness of JICA staff, debriefing sessions of the Compliance Committee were held, and the department in charge of compliance sent its personnel to domestic and overseas offices to strengthen compliance in those offices by providing trainings and consultations.

Furthermore, conducting remote training sessions for staff at overseas offices via a video-conference system is just one more example of how JICA is making continued efforts to enhance the compliance system of the agency as a whole.

# 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 at over 90 overseas offices.

## ● Public Relations Strategy and Achievements

To promote further understanding and participation in international cooperation, JICA actively disseminates information on global issues, its projects and outcomes, and their impacts 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 people, and others in Japan.

For the general public, JICA distributes information to promote an understanding of the importance of international cooperation and the results of this cooperation. 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. In addition, the number of projects on the ODA *mieruka* site, a website for visualizing ODA that presents information such as photos of ODA projects, has significantly increased. This makes public information on ODA projects even easier to understand.

A quarterly magazine in English and a monthly magazine in Japanese contain a special feature about global trends and upcoming international conferences. In fiscal 2013, international conferences in which many heads of state participated were held in Japan, including the Fifth Tokyo International Conference on African Development (TICAD V) and the ASEAN-Japan Commemorative Summit Meeting. JICA's activities are closely associated with these conferences. JICA used its website and publications to provide information about JICA projects, international conferences, and other subjects in a format that is even easier to understand.

JICA set up a website in cooperation with a private business magazine to distribute information on Bangladesh and Pakistan, two countries with high business potential supported by their large young populations, but that have infrequent exposure among Japanese people in their daily lives. This site uses streaming video to provide “live” information about current conditions and issues in these countries, the outcomes of Japanese ODA projects, and opportunities for Japanese companies in that area.

In response to the growing number of methods for acquiring information, such as social networking, 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 as well as domestic and overseas offices issue press releases in a timely manner. In addition, JICA provides information on JICA's recent cooperation activities and other topics by organizing media seminars on issues such as resources and energy, water, disaster prevention, gender, and urban development, or on the regions such as Africa and ASEAN. Furthermore, JICA provides opportunities for Japanese and overseas media to observe ODA programs implemented in developing countries as well as training courses conducted in



The JICA website



ODA *mieruka* site, a website for visualizing ODA



People from developing countries' media outlets visit one of Japan's leading manufacturers' commemorative museums of industry and technology.

Japan.

For opinion leaders in the media, academia, business sector, and other fields, JICA issued a special edition of a magazine featuring support for SMEs in starting overseas operations in order to explain the significance and importance of international cooperation for Japan. In fiscal 2013, JICA invited 13 individuals from media outlets in nine countries to Japan to find out how Japanese technology contributes to solving issues in developing



Mundi, a monthly magazine in Japanese



JICA's World, a quarterly magazine English edition.

countries. The visitors saw the sites where training participants from developing countries were attaining skills along with Japan's advanced operating and management techniques for expressways, railroads, and other components of infrastructure. They also interviewed people at SMEs in Japan that are aiming both to solve issues in developing countries and start overseas operations.

For the overseas audience, JICA is strengthening its information dissemination through its website and English magazines. At the conference sites of TICAD V, held in June 2013, and the ASEAN-Japan Commemorative Summit Meeting, held in December 2013, JICA engaged in information dissemination to the media by widely distributing copies of its English magazines that feature Africa and ASEAN regions.

● **Public Relations Initiatives of Domestic and Overseas Offices**

JICA offices in Japan and overseas conducted a variety of public relations initiatives.

Domestic offices worked on communicating activities of the Japan Disaster Relief Team that JICA dispatched when Typhoon Haiyan, called Yolanda in the Philippines, struck that country, by introducing team members' efforts in disaster areas to the media, including those located where the members came from. Also, domestic offices proactively communicated to the local media the studies and projects conducted by Japanese SMEs with assistance from JICA.

Overseas offices' initiatives focused on communication to the local media and building relationships with local opinion leaders. As part of such initiatives, interviews between the chief representatives of JICA's overseas offices and incumbent or former government ministers were held in Thailand, the Philippines, Viet Nam, Cambodia, and Laos, and the interviews were posted on JICA's website as articles both in Japanese and in English.

**JICA Official Supporter**



Mr. Kitazawa visits a disaster-prevention project site in Brazil.

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 former member of the Japan national soccer team, Tsuyoshi Kitazawa, along with the women's marathon gold medalist at the Sydney Olympic Games, Naoko Takahashi, are assigned as Official Supporters and are at work.

Mr. Kitazawa, who was a key player on Japan's national football team, has visited more than 20 developing countries. In fiscal 2013, he went to Brazil, which was preparing to host the 2014 FIFA World Cup. The sites he visited included those where cooperation is provided for disaster prevention for risks such as landslides, for the Project on Implementation of Community Policing Using the Koban (Police Box) System, and for environmental conservation and rehabilitation through dissemination of agroforestry systems. Mr. Kitazawa also held his usual soccer classes to interact with children. His visit was covered in news reports in Japan.

Ms. Takahashi, the gold medalist in the 2000 Olympic marathon, went to Indonesia and the Philippines. In Indonesia she looked into a pump station with a flood prevention function as well as the Project on Nationwide Capacity Development of Police Officers for POLMAS Indonesian Civilian Police Activities. In the Philippines she looked into the Capacity Enhancement of Mass Transit Systems in Metro Manila Project, with expected results that include reduction of traffic congestion and air pollution, as well as a river-channel improvement project for disaster prevention.

Furthermore, in Makassar in South Sulawesi, Indonesia, Ms. Takahashi held a marathon clinic and ran with many local athletes. As well as teaching running skills, she also helped the participants experience the level of speed she achieved when she set the world record, and created strong bonds with the athletes who participated in the event.



Ms. Takahashi rides a Mass Transit Systems train in the Philippines.



Ms. Takahashi holds a marathon clinic in Makassar in South Sulawesi.

# 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 prioritized to improve the organizational structure that can effectively and efficiently cope with changes in the environment surrounding ODA policies, diversified development needs, and political demands. JICA also made an effort to manage its budget appropriately to reduce execution, reduce expenses, and improve the competitiveness and transparency of contracts.

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, we studied our planning and operations, such as rationalizing operations and developing new schemes, and necessary organizational reforms. Based on the results of this study, we have started taking a number of actions.

Following the full resumption of Private-Sector Investment Finance in October 2012, the Office for Private Sector Partnership was reorganized and the Private Sector Partnership and Finance Department was established in 2013. At the same time, a new division was also set up to enhance the review and supervision of private-sector investment finance projects.

In order to further streamline the operation, JICA carried out operational coordination, and, for example, reorganized the management of SME overseas operation support projects in a more centralized manner, which had been conducted by several divisions.

In addition to these reforms, for the promotion of the program approach, JICA introduced a new framework to address multi-sectoral issues, which requires involvement and coordination among various divisions.

Due to these activities, as of March 31, 2014, there are 24 departments, 4 offices, 2 secretariats, and a research institute. JICA is also taking actions to expedite decision-making and to clarify responsibility and authority.

## ● Efforts for Cutting Costs and Boosting Procurement Competitiveness

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 the 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 time-rich preannouncement regarding planned projects. In particular, for contracts regarding consultants, the one-bidder/application rate (based on the number of

contracts) shows a nearly 10-point decrease, from 39.6% in 2012 to 30.5% in 2013.

As part of a commercialization trial under the Public Service Reform Act, JICA conducted private-private competitive bidding in 2013 for facility management of the JICA Yokohama International Center. This trial shows a reduction in contract price and also an increase in the number of bidders.

Modeled after this case, such a competitive approach will be adopted for facility management of other International Centers. JICA will continue to carry out revisions in an appropriate manner on the basis of the Basic Policy on Operational Revisions of Independent 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.

# Efforts to Better Global Environment

JICA is active in its efforts to address environmental problems, striving for a level of environmental conservation and sustainable development. On April 1, 2004, JICA announced the Environment Policy as the basic principle toward the environment and took our first step toward the implementation of the Environmental Management System (EMS). JICA's entire organization in Japan, including the head office, received ISO 14001 certification in fiscal 2005. Certification has been renewed following annual inspections.

JICA has implemented environmental activities utilizing the ISO 14001 framework, and these activities have become an established part of JICA's operations. As a result, JICA has made progress in conservation of resources and energy and decrease environmental impact. In recent years, there have been even greater demands to properly fulfill civic obligations such as compliance with environmental laws and regulations. With this trend, JICA needs to place higher importance on the conservation of resources and energy and compliance with laws and regulations. Therefore, JICA has switched to its own EMS after ISO 14001 certification expires in 2013 for the purpose of building a more efficient and effective EMS. The JICA EMS aims to facilitate environmental protection 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. Key points of the Environment Policy are 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." This global environmental protection will be conducted 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 continuously work to improve it. The system will be based on the following policies:

## ● Promotion of environmental protection through international cooperation activities

Based on the Japanese government's Official Development Assistance (ODA) policies, JICA will promote cooperation activities in environment protection and improvement. JICA will continue to:

- ▶ Promote international cooperation projects that contribute to environmental protection in developing countries
- ▶ Efforts related to climate change
- ▶ Mitigate in any adverse environmental impacts from

development programs and projects in accordance with the guidelines for environmental and social considerations.

## ● 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
- ▶ Provide continuous training through seminars and guidance programs for all employees and personnel engaged in JICA's activities.

## ● Promotion of environmentally friendly activities within JICA offices and facilities

JICA promotes environmental programs to reduce any negative impacts caused by its activities in all facilities. JICA will continue to:

- ▶ Promote waste reduction, resource and energy conservation, and recycling
- ▶ Procure environmentally friendly products based on the Law on Promoting Green Purchasing and other relevant laws and regulations.

## ● 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/our\\_work/social\\_environmental/index.html](http://www.jica.go.jp/english/our_work/social_environmental/index.html)





なんとか  
しなきゃ!

## Nantokashinakya Project Efforts from the Fourth Year

The Nantokashinakya<sup>1</sup> Project (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 citizens' groups, international organizations, government agencies, corporations, local governments, and educational institutions, in order to spread the concept like waves through society at large.

### Phase II of the Project Started

In 2013, three whole years had passed since the establishment of Nan-Pro. On this occasion, a decision was made to review existing activities, realign objectives and methods, and restart the project as the project's Phase II.

The project's logo, catchphrase, and posters were reviewed, and the website was updated. In this update, focus was placed on providing information that will assist those who showed interest in overseas countries, international cooperation, international exchanges, and other similar topics, to take some tangible action as their next steps forward. The methods and approaches to communicate information were also reviewed, and priority was placed on aligning content in a user-friendly manner.

As a result, through realignment of the website content focused on what visitors want to see and know, we believe that the new website has come more into line with visitors' interests compared to the previous version, and it provides easy access to information on

Nan-Pro member organizations.

In fiscal 2013, communication with a focus on the central theme of "Africa," which started in 2012, continued. Nan-Pro assisted the Fifth Tokyo International Conference on African Development (TICAD V), which was held in June 2013, on the publicity side. Many member organizations participated in the conference, and Nan-Pro's focus was on spreading information on the member organizations' activities to as many people as possible using a variety of approaches.

After TICAD V, Nan-Pro took the opportunity of the 40th anniversary of ASEAN-Japan Friendship and Cooperation to raise people's familiarity with the Asian region, especially with the ASEAN countries. Nan-Pro also took the opportunity of International Women's Day, March 8, to take up the worldwide issues of gender and human rights. In addition to working on these major themes, efforts were also made to provide timely information, such as updates on reconstruction activities from on-site locations after Typhoon Haiyan (Yolanda)

caused severe damage in the Philippines.

In the second half of fiscal 2013, in October 2013 and February 2014, international cooperation events took place in Tokyo, Nagoya, and Osaka. The events were called the Global Festa in Tokyo, the World Collaboration Festival in Nagoya, and the One World Festival in Osaka. In these events, Sakana-kun, Dr. Norihiko Kuwayama, and Mr. Lou Oshiba talked about their impressions of their visits to developing countries to the audience attending the events.

A new attraction using a "Nantokashinakya! button" was introduced to the events in Phase II. Participants answer questions to find out about types of international cooperation that they can or want to take part in. There were many participants at each event site, and at the end of the attraction, each person was asked to click the "Nantokashinakya! button" on a tablet computer at the site to show their support for Nan-pro's concept. Data collected showed that over 400 people participated in this attraction every day.

Facebook, as well as the Nan-Pro website, is proactively used to provide clear-cut information about activities that member organizations conduct, field visit reports by celebrity members, timely topics, and other relevant subjects. Nan-Pro's Facebook page also carried some running stories in fiscal 2013 and increased its influence, with the number of fans growing to 15,106 at the end of that fiscal year.

In fiscal 2014, Nan-Pro's activities will focus on increasing dissemination of information to young people and students, picking up on the needs of local member companies, and setting up a framework to make nationwide information available to everyone.

1. Nantokashinakya is a Japanese expression used to indicate that a problem must be solved by using a variety of actions, or to express commitment to achieving a resolution.



The website was updated in September 2013. Its goal is to become a medium that makes proposals about what the next steps are that people can take, for those who are interested in international cooperation and international exchange.



Many people visited Nan-Pro's booth at the Global Festa. This is from the One World Festival, the largest of the international festivals, held in the Kansai region.

# History of JICA

## 1954

### The former Japan International Cooperation Agency

<b>January 1954</b>	The Federation of Japan Overseas Associations is established.	<b>September 1992</b>	Environmental Guidelines for Infrastructure Projects are published.
<b>April 1954</b>	The Society for Economic Cooperation in Asia is established.	<b>December 1992</b>	The Handbook for Women in Development (WID) Consideration is published.
<b>September 1955</b>	The Japan Emigration Promotion, Co., Ltd. is established.	<b>May 1994</b>	The cumulative number of participants in JICA training programs surpasses 100,000 people.
<b>June 1962</b>	The Overseas Technical Cooperation Agency (OTCA) is established.	<b>August 1995</b>	Annual Evaluation Report is published for the first time.
<b>July 1963</b>	The Japan Emigration Service (JEMIS) is established.	<b>June 2000</b>	The cumulative number of JOCV participants surpasses 20,000 people.
<b>April 1965</b>	Japan Overseas Cooperation Volunteers (JOCV) Office is established by OTCA.	<b>December 2001</b>	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.
<b>May 1974</b>	Act of Japan International Cooperation Agency is promulgated.	<b>June 2002</b>	The Advisory Committee on Evaluation is established.
<b>August 1974</b>	The Japan International Cooperation Agency (JICA) is established.	<b>October 2002</b>	Act on Access to Information Held by Incorporated Administrative Agencies is implemented.
<b>December 1974</b>	The Statement of Operation Procedures is implemented.	<b>December 2002</b>	The Law concerning the Incorporated Administrative Agency Japan International Cooperation Agency is promulgated.
<b>April 1978</b>	Act of JICA is revised (promotion of Grant Aid operations is added).	<b>September 2003</b>	The Special Public Institution – JICA is dissolved.
<b>October 1983</b>	The Institute for International Cooperation is established.		
<b>April 1986</b>	Japan Disaster Relief (JDR) Team is formed.		
<b>July 1990</b>	25th anniversary of the JOCV. The cumulative number of participants surpasses 10,000 people.		
<b>January 1991</b>	Evaluation Guidelines are formulated.		

### The former Overseas Economic Cooperation Fund and the former Japan Bank for International Cooperation

<b>December 1960</b>	The Overseas Economic Cooperation Fund Law is promulgated.	<b>April 1996</b>	Special Assistance for Development Policy and Projects (SADEP) is commenced.
<b>March 1961</b>	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.	<b>April 1999</b>	The Japan Bank for International Cooperation Law is promulgated.
<b>March 1961</b>	The Statement of Operation Procedures is approved allowing operations to commence.	<b>September 1999</b>	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.
<b>March 1966</b>	First OECF ODA Loan (to the Republic of Korea) is provided.	<b>October 1999</b>	The Japan Bank for International Cooperation (JBIC) is established.
<b>May 1968</b>	The OECF Law is revised (commodity loan facility is added).	<b>December 1999</b>	The Medium-Term Strategy for Overseas Economic Cooperation Operations (October 1, 1999–March 31, 2002) is formulated.
<b>March 1980</b>	First government-guaranteed OECF bond is issued.	<b>April 2001</b>	Ex-Ante Project Evaluation for ODA Loan operations is introduced.
<b>April 1987</b>	Special Assistance for Project Sustainability (SAPS) is commenced.	<b>September 2001</b>	Japanese GAAP-Based Financial Statements and Statement of Administrative Cost Calculation are made public.
<b>April 1988</b>	Special Assistance for Project Formulation (SAPROF) is commenced.	<b>October 2001</b>	First Fiscal Investment and Loan Program (FILP) agency bonds are issued.
<b>November 1989</b>	OECF Guidelines for Environmental Considerations is published.	<b>December 2001</b>	The Cabinet decides to proceed with the reorganization and rationalization plan for special public institutions.
<b>May 1991</b>	OECF Policy for Consideration of Women in Development (WID) is published.		
<b>April 1992</b>	Special Assistance for Project Implementation (SAPI) is commenced.		
<b>March 1995</b>	The Cabinet decides to merge JEXIM and OECF.		

→ 2014

<b>October 2003</b>	The Incorporated Administrative Agency – JICA is established. The First Mid-term Plan (October 1, 2003–March 31, 2007) is made public.
<b>April 2004</b>	JICA Guidelines for Environmental and Social Considerations are published.
<b>November 2004</b>	JICA receives ISO 14001 certification. (In October 2013, JICA switches to its own Environmental Management System after ISO14001 certification expires.)
<b>April 2006</b>	The Global Plaza Tokyo is opened.
<b>April 2007</b>	The Second Mid-term Plan (April 1, 2007–March 31, 2012) is made public.
<b>April 2007</b>	The JICA Donation Fund for the People of the World, a public donation program, is launched.
<b>June 2007</b>	The cumulative number of JOCV participants surpasses 30,000 people.

<b>April 2002</b>	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.
<b>October 2002</b>	Act on Access to Information Held by Incorporated Administrative Agencies is implemented.
<b>March 2005</b>	The Medium-Term Operations Strategy based on the Performance Measurement for Strategic Management (applicable from April 1, 2005 onward) is formulated.
<b>April 2005</b>	The Medium-Term Strategy for Overseas Economic Cooperation Operations (April 1, 2005–March 31, 2008) is formulated.
<b>June 2006</b>	Act on Promotion of Administrative Reform for Realization of Small and Efficient Government is promulgated.
<b>May 2007</b>	The cumulative number of countries to have received ODA Loans reaches 100.
<b>March 2008</b>	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.

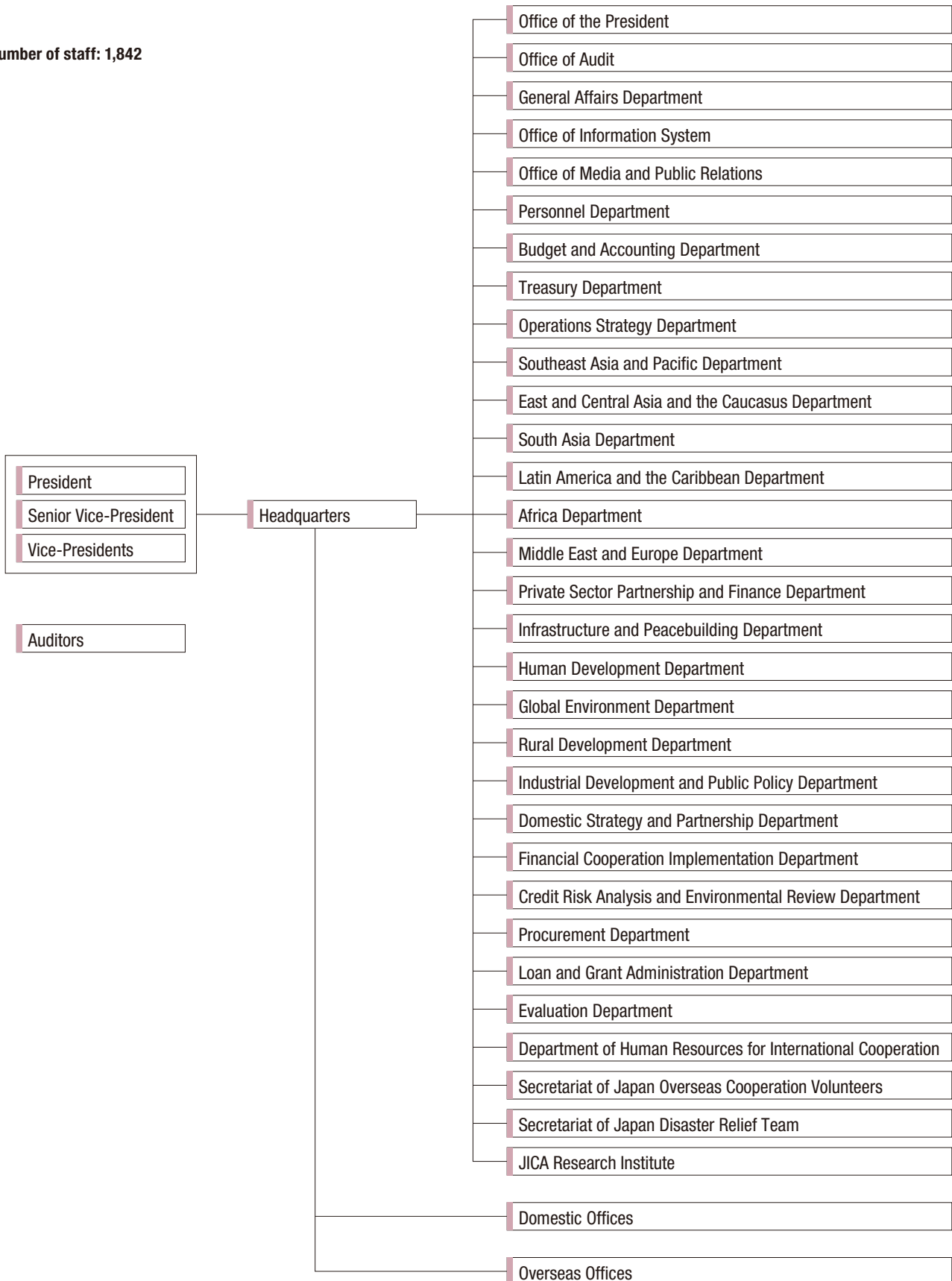
## New JICA

<b>November 2006</b>	Act for partial amendments to the Act on the Incorporated Administrative Agency Japan International Cooperation Agency is promulgated.
<b>October 2008</b>	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.
<b>October 2008</b>	The Second Mid-term Plan is modified.
<b>April 2010</b>	The new JICA Guidelines for Environmental and Social Considerations are published.
<b>April 2012</b>	The Third Mid-term Plan (April 1, 2012–March 31, 2017) is made public.
<b>October 2012</b>	Private-Sector Investment Finance is fully resumed.
<b>October 2013</b>	The cumulative number of visitors to JICA Global Plaza surpasses one million people.
<b>March 2014</b>	The Third Mid-term Plan is modified.

# Organization Chart

Organization Chart (As of September 1, 2014)

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, 2014 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
Vice-President	Kae Yanagisawa	October 1, 2014	Director General, East and Central Asia and the Caucasus Department, 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
Auditor	Hiromi Machii	January 1, 2014	Compliance Officer, SG Asset Max Corporation

(Vice-Presidents and Auditors are listed in the order of their appointment.)

[ → Please refer to JICA's website for updates of this information.]

# Domestic and Overseas Offices

Domestic and Overseas Offices (As of September 1, 2014)

## JICA Hokkaido (Sapporo)

TEL: +81-11-866-8333  
4-25, Minami, Hondori 16-chome, Shiroishi-ku, Sapporo City,  
Hokkaido 003-0026

## (Obihiro)

TEL: +81-155-35-1210  
1-2, Nishi 20-jo Minami 6-chome, Obihiro City,  
Hokkaido 080-2470

## JICA Tohoku

TEL: +81-22-223-5151  
15th Floor, Sendai Daiichi Seimei Tower Bldg., 6-1,  
Ichiban-cho 4-chome, Aoba-ku, Sendai City,  
Miyagi 980-0811

## JICA Nihonmatsu

TEL: +81-243-24-3200  
4-2, Aza Nagasaka, Nagata, Nihonmatsu City,  
Fukushima 964-8558

## JICA Tsukuba

TEL: +81-29-838-1111  
3-6, Koyadai, Tsukuba City, Ibaraki 305-0074

## JICA Tokyo

TEL: +81-3-3485-7051  
49-5, Nishihara 2-chome, Shibuya-ku, Tokyo 151-0066

## JICA Global Plaza

TEL: +81-3-3269-2911  
10-5 Ichigaya Honmuracho, Shinjuku-ku, Tokyo 162-8433  
<http://www.jica.go.jp/hiroba/english>

## JICA Yokohama

TEL: +81-45-663-3251  
3-1, Shinko 2-chome, Naka-ku, Yokohama City,  
Kanagawa 231-0001

## JICA Komagane

TEL: +81-265-82-6151  
15, Akaho, Komagane City, Nagano 399-4117

## JICA Hokuriku

TEL: +81-76-233-5931  
4th Floor, Rifare (Office Tower), 5-2, Honmachi 1-chome,  
Kanazawa City, Ishikawa 920-0853



## JICA Chubu/Nagoya Global Plaza

TEL: +81-52-533-0220  
60-7, Hiraike-cho 4-chome, Nakamura-ku, Nagoya City,  
Aichi 453-0872

## JICA Kansai

TEL: +81-78-261-0341  
5-2, Wakinohama Kaigandori 1-chome, Chuo-ku, Kobe City,  
Hyogo 651-0073

## JICA Chugoku

TEL: +81-82-421-6300  
3-1, Kagamiyama 3-chome, Higashi Hiroshima City,  
Hiroshima 739-0046

## JICA Shikoku

TEL: +81-87-821-8824  
7th Floor, Nissei Takamatsu Bldg., 1-5, Ban-cho 1-chome,  
Takamatsu City, Kagawa 760-0017

## JICA Kyushu

TEL: +81-93-671-6311  
2-1, Hirano 2-chome, Yahata Higashi-ku, Kitakyushu City,  
Fukuoka 805-8505

## JICA Okinawa

TEL: +81-98-876-6000  
1143-1, Aza Maeda, Urasoe City, Okinawa 901-2552

## Overseas Offices (Alphabetical order) (As of September 1, 2014)

**Asia**

Afghanistan Office  
 Bangladesh Office  
 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**

Fiji Office  
 Marshall Islands Office  
 Micronesia Office  
 Palau Office  
 Papua New Guinea Office  
 Samoa Office  
 Solomon Islands Office  
 Tonga Office  
 Vanuatu Office

**North & Latin America**

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  
 Office in Gaza  
 Iran Office  
 Iraq Office  
 Jordan Office  
 Morocco Office  
 Syria Office  
 Tunisia Office  
 Yemen Office

**Europe**

Balkan Office  
 France Office  
 Turkey Office

[ → Please refer to the JICA website for contact information regarding each overseas office.]

Home → Contact Us → Overseas Offices <http://www.jica.go.jp/english/about/organization/overseas/>

# Budget

## 1 General Account Revenue and Expenditure Budget (FY2013 and FY2014)

(¥ million)

Item	FY2013	FY2014
Revenue: Fiscal year budget plan	155,386	151,614
Revenues from operational grants (Initial budget)	146,919	150,274
Revenues from operational grants (Supplementary budget)	6,055	—
Subsidy for facilities, etc.	188	—
Revenues from contracted programs	1,472	990
Interest income and miscellaneous income	348	340
Donation revenues	120	9
Reversal of reserve fund carried over from the previous Mid-term Objective period	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	155,386	151,614
General administrative expenses	10,038	10,570
Excluding special items	10,038	10,570
Operating expenses	143,567	140,045
Expenses for technical cooperation projects	71,117	67,493
Expenses for grant aid (operation support)	203	200
Expenses for public participation-based cooperation	15,951	14,780
Expenses for emigration projects	328	359
Expenses for disaster relief activities	880	880
Expenses for training and securing the personnel	191	213
Expenses for assistance promotion	17,867	16,449
Expenses related to operation	6,493	7,651
Expenses for operation support	30,537	32,019
Expenses for facilities	188	—
Expenses for contracted programs	1,472	990
Expenses for donation projects	120	9
Expenses for the expedition of grant aid projects *	0	0

\* 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 (FY2013 and FY2014)

(¥100 million)

	FY2013	FY2014
Investment and loan		
ODA loans	8,915	9,646
Private-sector investment finance	235	239
Total	9,150	9,885
Source of funds		
Capital investment from the Government of Japan (GOJ)'s General Account	506	485
Borrowings from the Fiscal Investment and Loan Program (FILP)	3,844	4,820
Own funds, etc.	4,800	4,580
- FILP Agency Bonds	800	800
Total	9,150	9,885



# JICA's Mid-term Plan/Annual Plan for Business year 2014

## 1 JICA Mid-term Plan

In accordance with Article 30, Paragraph 1 of the Act on General Rules for Incorporated Administrative Agency (Act No. 103 of 1999), the Japan International Cooperation Agency (JICA) has set the following Mid-term Plan for achieving its Mid-term Objective during a period commencing with business year 2012.

Taking into consideration the circumstances surrounding development assistance set out in the Mid-term Objective, JICA will follow its vision of "Inclusive and Dynamic Development" in effectively conducting projects in accordance with the Government of Japan's initiatives and policies regarding Official Development Assistance (ODA). Guided by the vision, JICA will promptly deliver comprehensive assistance for people living in the developing area on issues involving addressing the global agenda, reducing poverty through equitable growth, and improving governance from the standpoint of ensuring human security. In following this plan, JICA staff will remain particularly conscious of the enormous assistance offered by many countries after the Great East Japan Earthquake, 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 efforts that meet the expectations of other countries. In addition, taking full advantage of its position as one of the few public sector organizations in Japan that operates projects in the developing area at large while also having offices across Japan, JICA will correlate the domestic challenges and experiences with those of other countries to contribute to solution of issues both in Japan and other countries.

Since its launch as a renewed organization in October 2008, JICA has become the sole implementing agency for Japan's all major ODA schemes — Technical Cooperation, Loan Assistance and Grant Aid, enabling JICA to provide optimum cooperation to the developing area facing various development issues through organic combinations of different schemes, taking into account the characteristics of each scheme. Going forward, JICA will further deepen the synergetic effects of its merger and promote program approach in line with the government policy as a means to increase its competitiveness internationally and implement more strategic operations. JICA will build a broad network with Japanese NGOs, private enterprises including small and medium-sized enterprises (SMEs), academic institutions such as universities, and municipalities and bring together the knowledge and experience of an "all-Japan" team to solve development issues.

JICA will further strengthen its organizational expertise in such areas as analysis and problem solution, which is needed in operation management, through incorporating international trends of development assistance in addition to the knowledge JICA has accumulated in the field. JICA will make intellectual contribution to support the government to play a leading role in development assistance arena through strengthening external communications skills and deepening cooperation with partners in the international community. Through these measures, JICA will respond to the expectations of the international community and, by enhancing transparency, gain public understanding, support and empathy for international cooperation.

In addition, JICA will regard critical views in Japan against management of incorporated administrative agencies at large and that of JICA sincerely, and to fulfill its mandate entrusted by the Japanese people conduct operations in a more strategic, effective and efficient manner through improving organization and operations continuously and autonomously.

In executing the Mid-term Plan, JICA will make every effort possible while continuing to collaborate with associated government institutions. JICA will set goals that are as quantitative and concrete as possible in its annual plan, with consideration to the characteristics of JICA's operation.

### 1 Measures to be taken to achieve the objectives 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 the government policies such as the ODA Charter, the Medium-term Policy on ODA, Country Assistance Programs and the Priority Policy Issues for International Cooperation as well as the development strategies and needs of partner countries. JICA will conduct effective operations by placing emphasis on results as well as the quantity of inputs and by applying the PDCA (Plan, Do, Check, and Action) cycle thoroughly. JICA will provide strategic, effective and efficient assistance in accordance with the priority issues of development cooperation set by the government — poverty reduction, sustained economic growth, addressing global issues, and peace-building. For this purpose, JICA will refine program approach in which JICA will analyze development needs and current circumstances through country/regional analyses and dialogues with partner countries based on JICA's expertise as an aid agency, and then combining three schemes of Technical Cooperation, Loan Assistance and Grant Aid, flexibly and organically to serve those needs. Moreover, JICA will utilize its expertise as an aid agency to enhance its program and project planning capacity and build flexible implementation structure to upgrade its project planning and execution capacity. Not limiting to existing assistance schemes, JICA will also improve its approach, methods and processes. In implementing projects, JICA will correlate 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 solve issues both in the developing area and Japan. At the same time, JICA will initiate measures to enhance public understandings and support for ODA in Japan.

Taking into account the ODA policy and other policies of the government, JICA, under its vision of "Inclusive and Dynamic Development", will formulate and implement quality projects ensuring human security in priority areas such as poverty reduction, sustained growth and addressing global issues as well as peace-building.

Specific activities are as follows.

- (a) Poverty reduction (contribution to the achievement of the MDGs)
  - In order to achieve equitable growth, and thereby sustained poverty reduction, JICA will assist the poor in developing their various latent capabilities and support improvement of an enabling environment in which those capabilities can be demonstrated.
- (b) Sustained economic growth
  - JICA will support sustaining growth of the partner 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 narrowing disparity and ensure that the benefits of economic growth are shared widely among the population including the poor.
- (c) Addressing global issues
  - JICA will seek solutions to global issues such as environmental issues including global warming, infectious diseases, food and energy, and disaster management in collaborations with the international community.
- (d) Peacebuilding
  - JICA will provide seamless assistance throughout the peacebuilding process, from emergency humanitarian relief to reconstruction and development, to prevent conflicts and their recurrence and to consolidate peace.
- (e) Strengthening the strategic value of operations and improving operations management

- Based on its country/regional analysis and thematic/sector guidelines, JICA will promote a program approach that brings synergy effects of Technical Cooperation, Loan Assistance and Grant Aid.
- To carry out projects more strategically, effectively and efficiently, JICA will thoroughly implement the PDCA cycle including ex-post project monitoring and follow-up activities, while compiling the project achievements and sharing them within and outside JICA.
- JICA will place importance on capacity development; holistic development of abilities at all levels of individuals, organizations, institutions and society and comprehensively support the process for partner countries to enhance the abilities to solve problems.
- Recognizing the significance and effectiveness of South-South Cooperation in assisting the developing area, JICA will strategically provide triangular cooperation and accumulate and share knowledge on it.

## [2] Enhancing program and project planning and information disseminating capacity

### (A) Enhancing program and project planning

- JICA will promote formulation of country/regional analysis papers and thematic/sector guidelines on diverse and complex development needs.
- JICA will constantly accumulate knowledge and know-how about development issues and project implementation, encouraging the sharing and effective use of these knowledge and know-how.
- JICA will further contribute to the information gathering and analysis by country-based ODA Task Forces share information and knowledge that volunteers, experts, etc. have accumulated on the ground and promote dialogues with Japanese enterprises and NGOs.  
Specific activities are as follows.
  - JICA will promote formulation of country/regional analysis papers (around 50 countries by the end of the Mid-term Objective period) and formulate thematic/sector guidelines as an approach to correctly understand the background and current situation of the development issues and solve them.
  - For more strategic operations, JICA will accumulate knowledge through dialogues with partner countries' governments as well as implementing projects, and strengthen its expertise as an aid agency.
  - JICA will utilize information including relevant knowledge and know-how received from various stakeholders, and share the knowledge, experiences and information in country-based ODA Task Forces.

### (B) Contribution to Japan's leadership in the international community

In order to realize the common benefit of the international community and Japan, JICA will actively take a part in addressing and raising awareness of global issues and contribute to Japan's leadership in these discussions. JICA will strengthen partnerships with partners in the international community including international organizations and emerging donors to disseminate aid policies and approaches in which Japan takes the lead while remaining aligned with the international community and enhance Japan's presence.

Specific activities are as follows.

- Towards higher development effectiveness, JICA will share knowledge such as effective approaches accumulated through its extensive experience broadly with the international community. In addition, JICA, as a key member will participate in formulation of international development agendas and assistance strategies for countries/regions. JICA will also make efforts to promote country/regional aid coordination to contribute to solving global issues.
- JICA will enhance strategic partnerships with emerging donors, promote triangular cooperation and serve as an interface for their participation on aid coordination frameworks.
- JICA will promote collaboration with multilateral donors and other institutions at levels of individual programs and projects.

### (C) Research

JICA will carry out research to enhance strategic, effective and efficient operation, with insights and medium-long term perspective about changing situations in international community including the developing area and Japan. JICA will set research themes and carry out research projects so that research results can be reflected to JICA operation and influence the international trends of development assistance in collaboration with

universities and institutes in Japan and overseas conducting research on development assistance. JICA will examine these contributions periodically and enhance dissemination of research results.

Specific activities are as follows.

- JICA will set research themes that can be reflected to operations and influence international trends in development assistance. In order to carry out high-quality research efficiently, JICA, while applying the knowledge cultivated by JICA operations, will strengthen efforts to ensure quality of research such as collaboration with partners in Japan and overseas, including joint research and commission, enhancement of internal capacity, peer reviews and evaluation by a third-party committee. Furthermore, to strengthen internal feedback and external dissemination of research results, JICA will ensure opportunities to disseminate strategically research results and improve dissemination tools.

## [3] Strengthening the role as the "nexus" among various actors including promoting partnership with private sector actors

### (A) Implementation of strategic economic cooperation for "the Strategy of Global Outreach"

In order to support economic development of the developing area through providing Japan's outstanding technologies and know-how and take in worldwide economic growth leading to revitalization of the Japanese economy, as well as to contribute to expansion of export of infrastructure by Japanese enterprises, etc. and overseas development of Japanese SMEs, local governments, etc., JICA will implement strategic development assistance. It includes improvement of the system of Japanese ODA Loans, utilization of the Private Sector Investment Finance (PSIF), formulation of projects based on proposals from private enterprises, local governments, etc., including Public-Private Partnership (PPP) projects, and implementation of assistance for establishing legal and judicial systems and developing human resources.

Specific activities are as follows.

- JICA will promote measures to contribute to solution of development issues of the developing area and, to this end, overseas development of Japanese private enterprises and local governments, etc., including expansion of their export of infrastructure as well. The measures include utilization of Japanese ODA Loans and the PSIF and implementation of Technical Cooperation projects and studies in collaboration with Japanese private enterprises, local governments, etc.

### (B) Partnership with various actors such as NGOs and private enterprises

JICA will strengthen its partnership with Japanese various actors, such as NGOs, private enterprises including SMEs, academic institutions, local governments, etc. Through such partnership, JICA will conduct effective and efficient development assistance by fully utilizing Japan's human resources, knowledge, capital and technologies of actors in the public and private sectors as well as contribute to fostering human resources with a global perspective in those actors.

Specific activities are as follows.

- JICA will enhance its partnership with Japanese various actors, such as NGOs, private enterprises including SMEs, academic institutions, local governments, etc. JICA will promote their participation in JICA projects to fully utilize Japan's human resources, knowledge, capital, and technologies for solving development issues in the developing area. In addition, JICA will contribute to fostering and ensuring the human resources needed for their global outreach as well.

## [4] Enhancing public understanding and participation

Understanding by and support from the public are vital to implementation of development cooperation. To communicate its significance and current status to the public, JICA will send information on its activities to the public effectively and efficiently and encourage citizen participation in them.

### (A) Volunteer programs

JICA will effectively and efficiently conduct the volunteer programs with the aim of contributing to economic and social advancement and reconstruction of the developing area, deepening friendly ties and mutual understanding between Japan and the developing area and providing an opportunity for volunteers to foster global perspectives and utilize their experiences in Japan after their return. JICA will implement following measures steadily: (i) improve

operation systems and methods to enhance the quality of the program; (ii) deepen partnership with other ODA programs, private enterprises with useful expertise, local governments, NGOs and other organizations; (iii) reinforce its activities to enable the public to participate in the volunteer programs without anxiety, including support to returned volunteers to utilize their experiences after return to Japan; (iv) conduct appropriate evaluation; (v) increase the visibility of volunteers' activities and accomplishments in the field, and their career after return to Japan. These measures are based on extensive reviews by the Ministry of Foreign Affairs (MOFA) and JICA of the volunteer program in July 2011 and on implementation aspect of the volunteer program in August 2011 ("Grassroots Diplomats: Japan's Overseas Volunteer Program — for Co-existence and Bonds of Friendship"), which were conducted to adapt to changes in the environment surrounding the volunteer program.

Specific activities are as follows.

- JICA will promote measures to enhance the quality of the volunteer programs through implementing measures contributing to solving development issues and collaborating with other JICA programs and organizations.
- JICA will take measures to increase the visibility of the current state of volunteer activities.
- JICA will strengthen the support to the volunteers in their field activities.
- JICA will strengthen its partnership with local governments, private enterprises, universities and other organizations in Japan to encourage participation of diverse human resources in the volunteer programs as a public participation program.
- JICA will improve its effectiveness and efficiency of recruitment, selection, training of volunteers, to ensure and train adequate human resources that match development needs.
- JICA will consider and implement specific measures for returned volunteers' active participation in Japanese society. In addition, JICA will reinforce its indirect support for returned volunteers with a global perspective to utilize their experiences in Japanese society and to develop their careers.

#### (B) Citizen participatory cooperation

Implementing programs, where knowledgeable and well experienced Japanese organizations such as NGOs, municipalities and academic institutions play a key role, contribute to the public's better understanding of ODA, and transfers appropriate and efficient technologies meeting the actual circumstances of the developing area. From this point of view, JICA will promote collaboration with NGOs, etc. and, in implementing the JICA Partnership Program, effectively conduct attentive cooperation at grass-roots level where government-to-government international cooperation has difficulty reaching, centering on basic human needs, which directly benefit improving quality of life and livelihood of the people in the developing area. Additionally, to encourage broad participation of the public, JICA will give consideration for respecting the initiatives of the partnering organizations and make efforts to expedite procedures of the JICA Partnership Program.

To enhance public understanding and participation, JICA will provide support to international cooperation projects proposed and implemented by various individuals/organizations such as NGOs, academic institutions, and local governments.

Specific Activities are as follows.

- In order to ensure proposals that match the objectives of the JICA Partnership Program from various sectors in Japan, JICA will provide easy to understand information and project cases on targeted areas to the public. JICA will also improve operational management systematically, and simplify and expedite administrative procedures to improve effectiveness and outcomes of the JICA Partnership Program.
- JICA will use domestic offices to support international cooperation in close collaboration with regions of Japan, where domestic offices are located. JICA will also strengthen collaborations with NGOs, academic institutions, local governments and other organizations to improve the quality of development education in Japan.
- JICA will provide programs for human resources development, organization reinforcement, and project management to Japanese NGOs aiming to conduct international cooperation.

#### (C) Fostering human resources for development (Training and recruiting

human resources)

Training and recruiting talented personnel in international cooperation constitute the basis for overall activities of JICA, and are the key element for improvements in quality of Japan's international cooperation. JICA, therefore, will properly undertake necessary measures for training and recruiting of human resources including consultants, based on development needs.

Specific activities are as follows.

- JICA will effectively disseminate information on opportunities of participation in international cooperation and training programs through enhancement of external communication capability of the Human Resources Center for International Cooperation.
- JICA will develop and enhance the skills of personnel engaged in international cooperation, by providing training programs particularly in sectors and themes where there is a great need but is a shortage of human resources.

#### (D) Public relations activities

##### (i) Communicating information on ODA activities

JICA will strengthen collaboration with the media, NGOs and other partners and utilize its domestic and overseas offices to conduct domestic and overseas public relations activities so that JICA can fulfill accountability, promote Japanese public's trust in, understanding of, empathy with and participation in international cooperation and facilitate understanding of Japanese ODA by people of the developing area where JICA operates. JICA will function as a hub for the public to access ODA information. JICA will also improve user-friendliness and promote disclosure of information on the formulation and implementation of ODA projects.

##### (ii) Increasing the visibility (greater transparency)

JICA will enhance disclosure of information, regardless of project's success or failure, through clear explanation of ODA effects with more focus on results and through a website to systematically visualize current status and results on all ODA projects. Thus, JICA will increase transparency of development cooperation, and through transmitting its objective and the current state in an easily understandable way, increase public trust in ODA.

#### [5] Measures related to operations

##### (A) Technical Cooperation, Loan Assistance and Grant Aid

###### (i) Technical Cooperation

Technical Cooperation is a people-to-people cooperation to develop comprehensive capacity with which people of the developing area are able to deal with development issues they are facing. JICA will support development of human resources, improvement of technical standards and formulation of development plans, pursuant to treaties and other international agreements, thereby carrying out Technical Cooperation projects strategically, effectively and efficiently with an aim of contributing to promotion of economic and social development and improvement of welfare of the developing area.

Specific activities are as follows.

- JICA will appropriately and promptly formulate and implement Technical Cooperation projects to solve problems of partner country and region with a focus on human resources development, development planning, and institutional development.
- JICA will improve its operational system for formulating and implementing projects with high development effectiveness based on priorities of the government policies, needs in the developing area, and issues arising from project implementation.

###### (ii) Loan Assistance

Loan Assistance lends funds to a government, government agency, or local government, etc., of the developing area pursuant to international agreement such as treaty, or to a juridical person, etc. in Japan or the developing area, which executes development projects. The funds are provided under concessional terms and conditions regarding the interest rate, repayment period, etc., thereby assisting the developing area to undertake self-help efforts to achieve economic growth and economic self-sufficiency, etc. JICA will expedite operation process and improve operation system by taking measures including support to capacity development of recipient government, thereby, implement projects strategically, effectively and efficiently. The PSIF, the loan assistance for juridical person, etc. in Japan or the developing area, is provided for the projects with high development effectiveness and those cannot be financed by existing financial institutions. JICA will carry out

the PSIF with suitable supervision and in line with the Japan Revitalization Strategy (cabinet decision on June 14, 2013). JICA will ensure well-prepared system including risk assessment and management system that reflects lessons from the pilot approach taken for the resumption of the PSIF.

Specific activities are as follows.

- JICA will appropriately and promptly formulate and implement projects while taking into account the needs of development area and partnership with private sector partners to solve issues of the developing area, such as economic development with self-help and economic independence.
- Based on priorities of the government policies, needs of the developing area and issues arising from project implementation, JICA will work with the government to improve the operation system for formulating and implementing projects with more development effectiveness, such as expedition of the operation process and reduction of foreign exchange risk for recipient countries.
- The PSIF is provided for the projects that have high development effectiveness and cannot be financed by existing financial institutions. Accordingly, JICA will identify the project needs of private enterprises, etc. and formulate good projects to promote development driven by the private sector in the developing area. In addition, JICA will reflect lessons learned from the pilot approach on the risk assessment and management system.

#### (iii) Grant Aid

Grant Aid is a financial assistance with no obligation for repayment for economic and social development including the improvement of basic human needs, the development of social and economic infrastructure, the protection of the environment, and human resource development of the development area. JICA will implement Grant Aid projects strategically, effectively and efficiently, pursuant to treaties and other international agreements. In addition, JICA will promote strategic, effective and efficient implementation of Grant Aid projects which are implemented directly by MOFA but designated by MOFA to involve JICA.

JICA, to ensure the development outcomes of ODA projects, will enhance competitiveness by encouraging participation of private enterprises through efforts such as making the scale of projects appropriate, reducing costs and reinforcing the framework for coping with unforeseen risks.

Specific activities are as follows.

- JICA will appropriately and promptly formulate and implement Grant Aid projects to assist partner countries and regions to solve their problems mainly for economic and social development, primarily in the fields of basic human needs, development of social and economic infrastructure, protection of environment, and human resources development.
- JICA will improve its operational system for formulating and implementing projects with high development effectiveness based on priorities of the government policies, needs in the developing area, and issues arising from project implementation.

#### (B) Disaster Relief Activities

JICA, in collaboration with the international community, will deploy a Japan Disaster Relief Team (JDR) and provide disaster relief supplies promptly, efficiently and effectively to relieve victims of large-scale disaster in the developing area.

Specific activities are as follows.

- When a large-scale disaster occurs, JICA will accurately grasp the needs of a disaster-stricken country and promptly and effectively provide the appropriate scale and content of emergency relief. In collaboration with the international community, JICA will also continue to monitor the situation after operation.
- JICA will constantly enhance exercise and training based on international standards in normal time, maintain and improve the skills of standby members and prepare the necessary materials and equipment required for the JDR activities. JICA will also optimize the reserve system for disaster relief supplies.
- JICA will maintain cooperative relationships with humanitarian aid agencies and organizations in Japan and overseas, such as the United Nations, for smooth and effective operations in emergency.

#### (C) Support for Japanese emigrants and their descendants (*Nikkei*)

JICA will conduct the program to support Japanese emigrants and their

descendants with considerations for development of their residing area and the situation of their settlement and stabilization, and based on the results of the government's review on the objectives and accomplishments of the individual programs and the decisions regarding the necessity of such programs. As for the program for supporting emigrant organizations, JICA will continue to prioritize sectors of elderly care and human resources development. In addition, JICA will disseminate the knowledge about emigration among Japanese public through education and public relations activities and academic research about emigration and overseas Japanese communities, based on its importance in foreign policy. As for the Loan Program for Emigrants, JICA, with the situation of each debtor in mind, will review its repayment schedule, if necessary, proceed with collection and settlement loans, and prepare a plan to achieve an early completion of loan management operations.

JICA will downsize the *Nikkei* Individual Training Programs. Meanwhile, JICA will effectively and efficiently conduct the *Nikkei* training programs aiming to nourish *Nikkei* identity by collaborating with the Japan Foundation including sharing program information.

#### [6] Cross-cutting issues in operations

##### (A) Environmental and social considerations

JICA will raise awareness on avoiding or minimizing environmental impacts and social impacts such as involuntary resettlement, among JICA staff members and others concerned. JICA will also conduct operation with environmental and social considerations with the involvement of external experts in accordance with its "Guidelines for Environmental and Social Considerations (effective from 1 July 2010)."

##### (B) Gender equality

In order to ensure fairness in development and in improve development effectiveness, JICA will make further efforts in its operations to raise the status of women through sufficient consideration of ensuring active participation of women in development as well as benefits of development to women. Therefore, JICA will encourage its staff and others concerned to deepen their understanding of the importance of promoting gender mainstreaming in development assistance and manage projects from gender perspectives at each stage of operations.

##### (C) Operations evaluation

JICA will implement systematic and efficient operations evaluations appropriately, in accordance with the PDCA cycle; from the ex-ante evaluation which includes establishment of objective operational effect indicators for outcomes, to the ex-post evaluation which includes measurement of achievement of the prior expected outcomes and derivation of the lessons. JICA will also publish the results of evaluations to the public in easy-to-understand formats so as to enhance the visibility of the ODA. The results of evaluations will be promptly and properly fed back to new projects, etc.

Specific activities are as follows.

- JICA will enhance the quality of operations evaluation through steady implementation of ex-post evaluation. JICA will also share evaluation results appropriately to ensure feed-back of lessons learned to operations.
- JICA will improve disclosure of the results of operations evaluation to the public and disseminate them more clearly and promptly.
- JICA will make efforts to implement new evaluation methodologies such as evaluation at program level depending on the progress of program planning and impact evaluation.

##### (D) Reinforcement of security measures

JICA will collect security information and take suitable measures to ensure security for all parties associated with JICA projects.

Specific activities are as follows.

- Since overseas operations take place in the developing area, it is indispensable to incorporate security measures that take into account risks in each country such as the security situation and traffic conditions. From this point of view, JICA will take suitable security measures for the experts, volunteers, staff members, etc.
- For projects that include construction of facilities, JICA will make sure that the governments and executing bodies of the partner countries, consultants, and contractors rigorously implement safety measures. JICA will also strengthen the mechanism to support them if necessary when

their safety measures are inadequate.

(E) Implementation of measures needed for execution of foreign policies, etc.

Unless there is a justifiable reason not to do so, JICA will take immediate action in response to a request from the competent minister based on Article 40 of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency (JICA Act).

## 2 Measures to be taken to achieve the objectives regarding improvement of the efficiency of the administration of operations

[1] Improving flexibility in organizational management

JICA will make steady efforts 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 aid operation, responding to changes of environments in both Japan and overseas including diversifying needs of the developing area and changes of priorities of Japan's ODA policies. From this standpoint, taking advantage of the flexibility in the organizational structure as originally intended by the incorporated administrative agency system, JICA will reinforce necessary functions as well as streamline the structure of headquarters for its adjustment, based on the review of the principle of organizational structure and desirable functions and roles of each department.

For overseas offices, JICA will review their allocation, considering changes in the international circumstances, etc. In addition, in order to implement projects effectively and efficiently, JICA will comprehensively reinforce functions at the field level, such as accurate grasp of diversifying needs of the developing area, dialogues with partner countries and other donors, and project formulation, through enhancing country analysis, developing JICA Rolling Plan, participating in the ODA Task Force, etc., by taking measures such as a shift of staff from Japan to overseas offices. Furthermore, JICA, with consideration on maintenance of the legal state of overseas offices and their staff, will take measures to share facilities or neighbor overseas offices with those of the Japan Foundation, the Japan External Trade Organization, and the Japan National Tourism Organization to enhance collaboration of operations.

For domestic offices, JICA will examine the necessity, etc. individually and review their allocation. Based on the examination result of domestic offices by third parties on functions and roles, usage status, economic rationality, etc., JICA will utilize experiences and networks of domestic offices, unique to each region and not only contribute to development issues in the developing area but also strengthen the role as a nexus for international cooperation in local areas in Japan, thereby promoting public understanding of, empathy to, support to, and participation in international cooperation. In addition, JICA will support overseas development of Japanese SMEs, local governments, etc. through domestic offices.

Specific actions are as follows.

- Taking advantage of the purpose of the incorporated administrative agency system, JICA will review its organizational structure at headquarters to respond more promptly and properly to the development needs of each country/region and to operate more strategically and effectively. JICA will strengthen organizational functions, as well as streamline the organizational structure at headquarters by realigning divisions and departments.
- For overseas offices, JICA will review their allocation, considering changes in the international circumstances such as economic growth in the developing area, the duration of project implementation, etc.
- Depending on conditions in each overseas office, JICA will reinforce functions at the field level by enhancement of training programs for National Staff and review of the operating systems to make greater utilization of the capacity of National Staff; the steady shift of staff from Japan to overseas offices; greater support from the headquarters to overseas offices, etc.
- For domestic offices, JICA will proceed with transfer of functions of JICA Global Plaza at Hiroo and integration of Osaka International Center and Hyogo International Center without deterioration of the roles or performance of these offices. JICA will also integrate Sapporo International Center and Obihiro International Center, in accordance with discussions with local

governments and other parties concerned. For Tokyo International Center and Yokohama International Center, JICA will examine their integration considering long-term direction of the training program, the position of the Japanese Overseas Migration Museum, the utilization rate of facilities, etc.

- JICA, through domestic offices, will promote partnership with various actors in Japan such as private enterprises, NGOs, local governments, universities, etc. and conduct effective and efficient activities by taking advantage of the characteristics of each domestic office through Technical Cooperation, volunteer programs, citizen participatory cooperation, programs for supporting development education, public relations activities, study, etc. Through these activities, JICA will promote public understanding of, empathy to, support to and participation in international cooperation.

[2] Proper and fair management of organization and operation

JICA will take the following measures to ensure proper and fair operation while also securing the quality of its operations, with considerations of the characteristics of its activities.

(A) Increasing competitiveness and transparency of contracts

JICA will improve the environment where international development consultants, etc. are willing to participate in bidding, and inspect and review contracts such as taking measures against single-party bids and applications. In accordance with the government policies such as the Inspection and Review of Contracts by Incorporated Administrative Agencies (Cabinet Decision on November 17, 2009) and the Basic Policy for Reforming Public Service Activities, and in order to ensure competitiveness with due considerations of fostering international development consultants that are necessary for formulation of good projects. In conjunction with these efforts, JICA will take strict measures against fraud and other wrongful acts in accordance with laws, regulations and guidelines to ensure proper operations.

Specific activities are as follows.

- In view of promoting proper contracting, including increasing its competitiveness, JICA will continue to take measures to reduce single-party bids and applications and improve contract procedures.
- In view of further enhancing the transparency of contracting, JICA will disclose the process, criteria, and results of selection of contractors and records of contracts, etc. JICA will also continue inspection of the selection process by third parties.
- JICA will take strict measures against fraud and other wrongful acts in accordance with laws, regulations and guidelines to ensure proper operation.
- For contracts with associated public interest corporations, JICA will continue to ensure competitiveness and transparency by taking measures such as applying general competitive bidding as a general rule.

(B) Improving governance and transparency

In order to achieve its organizational objectives, JICA will improve management and oversight of performance by improvement of organization, systems and operations including monitoring, and enhancement of internal control with consideration of the characteristics of Loan Assistance which requires a governance system for finance operations.

- (i) JICA will conduct internal audits. JICA will also follow up the internal and external audits appropriately.
- (ii) JICA will reinforce its internal control functions such as the enhancement of the whistle-blowing system, to ensure proper operation within the organization and pursue continuous operational improvements.
- (iii) JICA will take necessary measures in line with the government policies such as the Information Security Strategy for Protecting the Nation to improve security of information under JICA's management.
- (iv) JICA will conduct performance evaluation annually with the participation of external experts. JICA will reflect the results of performance evaluation on operations through the management along organizational objectives.
- (v) JICA will create opportunities to receive proposals for improvements to reflect on operations opinions of stakeholders that stand at the forefront of international cooperation, such as JICA experts, volunteers, NGOs, private enterprises including international development consultants, etc.

(C) Rationalizing and optimizing administration

JICA will ensure an environment conducive to the efficient implementation

of operations and improve administrative processes to ensure rational and appropriate operations, with consideration of the characteristics of activities.

Specific activities are as follows.

- JICA will review and take measures to rationalize and simplify administration of contracts such as simplification of procedures for selection of contractors and payments improvement of efficiency of administration of equipment procurement and management of contract information and optimization of procurement system in overseas offices.
- JICA will further improve the efficiency of procedures for dispatching JICA experts and volunteers, accepting training participants, etc.

[3] Cost efficiency, appropriate level of salaries, and proper review of assets  
(A) Cost efficiency

During the Mid-term Objective period, for programs that operate on utilizing operational grants, JICA will improve the efficiency of total amount of general administrative expenses and operating expenses (except the special operating expenses and one-time items) by at least 1.4% in each business year while securing the quality of operations through measures such as proper and strict review of allowances of experts, project formulation advisors, health administrators, etc., adjustment of allowances of volunteers and reduction of fixed costs, etc. However, these measures will not be applied to the personnel expenses that are prescribed in the next section.

(B) Appropriate level of salaries

Although salary levels of JICA are higher than those of the national public servants (Laspeyres Index with regional and academic adjustment was 109.3 in business year 2010) due to particularity of JICA operations, JICA will conduct ceaseless review of its salary levels, and thoroughly examine the appropriate level of salaries including allowances, for board and staff members, by paying attention to those of the national public servants. JICA will establish targets on salary levels and a deadline for achieving the targets and take actions in accordance with the plan. JICA will also disclose the results of the above examination and progress.

In addition, JICA will review total personnel expenses, taking into account the measures by the Japanese government to reduce its total personnel expenses. JICA will also review properly and as quickly as possible on overseas allowances provided to staff sent overseas with reference to such allowances provided to employees of the government, private enterprises, etc.

(C) Appropriate review of assets

JICA will continue to disclose detailed information about its assets. Furthermore, JICA will conduct ceaseless reviews of the necessity of holding these assets by considering usage status, possibility of uses for other purposes within the limit of not disrupting the regular operations, the effective disposal of assets, and economic rationality. JICA will also conduct a rigorous examination to determine whether assets should be retained based on the current status of its assets, and as far as negative effects are not expected, sell or transfer to the government unnecessary assets. For employee housing, JICA will take appropriate measures that are consistent with the government policy for the review of employee housing of incorporated administrative agencies.

JICA will consider effective ways to utilize the portion of the Takebashi Godo Building. Should a decision be reached that the property is not needed and selling is the logical course of action, JICA will dispose of the property.

### **3 Budget (including an estimate of the personnel cost), income and expenditure plan, and financial plan (excluding the Finance and Investment Account)**

(1) JICA will prepare a Mid-term Plan budget, income and expenditure plan and financial plan for programs that operate on utilizing operational grants, while reflecting items prescribed in "2. Measures to be taken to achieve the objectives regarding improvement of the efficiency of the administration of operations". JICA will conduct operations based on the budget, etc. while taking measures to further optimize budget execution management and securing the quality of operations. Moreover, JICA will calculate rigorously the annual budget of operational grants by taking into account the amount of operational grant liabilities. To make financial reporting more transparent, JICA will provide detailed segment and information, etc. on

financial statements and provide more specific information on the causes of operational grant liabilities and counter-measures by the Performance Report of Operations, etc.

As for the operational grants and subsidy for facilities which have been additionally allocated according to the business year 2012 supplementary budget (No. 1), JICA will utilize them for Technical Cooperation related to programs for supporting overseas development of Japanese SMEs and local governments and improvements in JICA facilities to strengthen measures for disaster prevention, 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).

As for the operational grants and subsidy for facilities which have been additionally allocated according to the business year 2013 supplementary budget (No. 1), JICA will utilize them for Technical Cooperation related to programs for supporting overseas development of Japanese SMEs and local governments and improvements in JICA facilities to strengthen measures for disaster prevention, with a recognition that those grants and subsidies have been allocated for measures to strengthen competitiveness and acceleration of measures for disaster prevention and safety by the "Economic Measures for Revitalization of Virtuous Cycles (December 5, 2013)".

(2) JICA will continue to make efforts to secure, properly manage and operate self-revenues.

### **4 Short-term loan ceilings**

General Account: ¥62 billion yen

Finance and Investment Account: ¥220 billion yen

Reasons: The General Account may require loans to avoid late payments of personnel expenses employee and operational expenses in the event of an approximately three month delay in the receipt of operational grants from the Government of Japan.

The Finance and Investment Account may require loans to deal quickly and efficiently with events such as short-term funding gaps between short-term loan repayments and collection of loans, temporary funding when the Fiscal Investment and Loan Program Agency Bonds are issued, rapid changes in the amount of loans extended, etc.

### **5 Plan for disposing of unnecessary property or expected to become unnecessary property**

JICA will sell condominiums used for employee housing: 34 units in business year 2012, 33 units in business year 2013 and 33 units in business year 2014. JICA will reimburse the national treasury for these assets by paying an amount calculated using the standard prescribed by the competent minister but within the limit of sales revenue. However, should assets prove difficult to be sold it may instead transfer unnecessary property directly to the national treasury.

JICA will transfer the property of Osaka International Center to the national treasury by the end of business year 2012. JICA will transfer to the national treasury or sell Hiroo Center by the end of business year 2014.

JICA will transfer to the government or sell these assets of employee housing of Tokorozawa, Tsukuba (outside the Tsukuba International Center's compound), Komagane (outside the Komagane Training Center's compound) and Shinohara-cho by the end of business year 2016. If the assets are sold, JICA will reimburse the national treasury for the property by paying an amount calculated using the standard prescribed by the competent minister but within the limit of sales revenue.

### **6 Plan for transferring or mortgaging of important assets other than the assets prescribed in Item 5**

Not applicable

### **7 Uses of surplus fund (excluding the Finance and Investment Account)**

JICA may allocate the surplus fund if occurs to programs that contributes to the improvement of the quality of operations and to expenses that is necessary for improvements in 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 Ministry

### [1] Facilities and equipment

JICA will maintain facilities and equipment from a long-term perspective and utilize them effectively and efficiently to achieve objectives concerning making operations more efficient and improving the quality of operations.

Specifically, JICA will improve and repair facilities and equipment according to the operational necessity such as coping with their aging, etc.

### Plan for Improvements in Facilities and Equipment from Business year 2012 to 2016

Facilities and equipment	(Million yen)	
	Source of funds	Budget
Repair and improvements in facilities and equipment at the headquarters and domestic offices, etc.	Subsidy for facilities	4,379
Total		4,379

Note: Amounts for the subsidy for facilities, etc. is determined during the budget preparation process in each business year.

### [2] Personnel planning

To conduct the operations effectively and efficiently, JICA will assign staff members to appropriate positions and reflect their role as contribution on their treatment. In addition, JICA will develop capacity of staff members through career development, training, etc., to fulfill the duties, which are getting advanced and specialized. In order to promote career development that further increases and utilizes staff members' specialized skills, JICA will encourage staff members to be aware of their career paths, including a field of specialty early in their careers and use the various means to increase opportunities efficiently for staff members to work at the field.

JICA will develop personnel planning suited to effective and efficient operations.

Specific activities are as follows.

- JICA will boost the motivation of staff members by evaluating their performance accurately and treating them according to their respective roles and contributions. JICA will also assign the right person to the right place to improve the quality and efficiency of its operations.
- JICA will encourage each staff member to pay more attention to their career path and offer trainings and other opportunities including management experiences at project sites and temporary transfer to international organizations, so that staff members develop their capacity to fulfill the duties which are getting advanced and specialized. The objectives of such trainings and other opportunities are to deepen knowledge about partner country, region and development issues, improve skills in formulating cooperation programs and managing projects and cultivating communication skills including foreign languages.
- JICA will reinforce support measures to staff in overseas offices to perform their duties smoothly. JICA will efficiently utilize human resources by such measures to facilitating overseas assignments for personnel who previously could not have left Japan because of family reasons, etc.

### [3] Matters related to the handling of assets obtained from the disposal of reserve fund and collection of loans (Article 31, Paragraph 1 of the JICA Act and Article 4, Paragraph 1 of the Supplementary Provisions of the JICA Act)

When the reserve fund remains after the procedure prescribed in Article 44 of the Act on General Rules for Incorporated Administrative Agency, the amount approved from the competent minister is to be allocated for the financial resources of the contracts (excluding the Operations of the Cooperation through Finance and Investment) for which liabilities exceed the Mid-term Objective period due to unavoidable reasons in the immediately preceding Mid-term Plan, accounting treatment concerning the amount that affects income and losses, such as deferred and accrued accounts that were reported during the previous Mid-term Objective period.

The amount of loans and funds collected during the previous Mid-term Objective period is to be paid to the national treasury in an appropriate manner based on the JICA Act.

### [4] Assumed debts beyond the Mid-term Objective period

For assumed debts beyond the current Mid-term Objective period, when it is deemed necessary, JICA may enter into contracts that go beyond the current Mid-term Objective period.

**Table 1 Budget (Mid-term Objective period: Business year 2012–2017)**

		(Unit: Millions of Yen)
Item		
Revenues	Revenues from operational grants	719,979
	Subsidy for facilities, etc.	4,379
	Interest income and miscellaneous income	1,711
	Revenues from contracted programs	7,496
	Donation revenues	120
	Reversal of reserve fund carried over from the previous Mid-term Objective period	1,043
	<b>Total</b>	<b>734,728</b>
Expenditure	General administrative expenses	49,834
	Excluding special items	49,988
	Operating expenses	672,899
	Excluding special operating expenses and special items	658,005
	Expenses for contracted programs	7,496
	Expenses for donation projects	120
	Expenses for facilities	4,379
	<b>Total</b>	<b>734,728</b>

- Notes 1. In some cases numbers do not correspond to the sum total figures because of rounding.  
 2. The items "Subsidy for facilities, etc." in revenue and "Expenses for facilities" in expenditure have been included based on the Facilities and Equipment Plan for business year 2012. Actual figures are determined during the budget formulation process, etc., for each business year.  
 3. Because Grant Aid planning is determined by cabinet decision, the budget, income and expenditure plan, and financial plan prescribed in Article 13, Paragraph 1, Item 3 (i) of the JICA Act (Act No. 136 of 2012), are not included.  
 4. Revenues from operational grants and Operating expenses includes budget on Technical Cooperation related to programs for supporting overseas development of Japanese SMEs and local government improvements (5,400 mill.) according to the "Emergency Economic Measures for the Revitalization of the Japanese Economy" (January 11, 2013) which has been allocated according to the business year 2012 supplementary budget (No.1) and Technical Cooperation to programs for supporting overseas development of Japanese SMEs and local government improvements (6,055 mill.) according to the "Economic Measures for Revitalization of Virtuous Cycles" (December 5, 2013) which has been allocated according to the business year 2013 supplementary budget (No.1).  
 5. Subsidy for facilities, etc. and Expenses for facilities includes budget on improvements in JICA facilities to strengthen measures for disaster prevention (1,984 mill.) according to the "Emergency Economic Measures for the Revitalization of the Japanese Economy" (January 11, 2013) which has been allocated according to the business year 2012 supplementary budget (No.1) and improvements in JICA facilities to strengthen measures for disaster prevention (188 mill.) according to the "Economic Measures for Revitalization of Virtuous Cycles" (December 5, 2013) which has been allocated according to the business year 2013 supplementary budget (No.1).  
 6. Revenues from operational grants, General administrative expenses and Operating expenses reflect JICA's revision on salaries for board and staff members.

[Estimation for personnel expenses]

The estimated personnel expenses for the period of the plan is ¥63,599 million.

However, the figures included in the table above are those equivalent to the scope of remunerations to officers, expenses for basic salaries, work-related expenses and overtime allowances, and administrative leave pay.

The above figure reflects JICA's revision on salaries for board and staff members according to "Measures for the reduction of national public servants' remuneration" (June 3, 2011) and "Remuneration of national public servant" (October 28, 2011).

[Calculation method for operational grants]

The rule-based operational grant calculation method

[Rules on calculation of operational grants]

Operational grants are calculated using the following formula.

$$A(y) = B(y) + C(y) + D(y) + E(y) - F(y)$$

A (y): Operational grants

B (y): Operating and administrative expenses

C (y): Personnel expenses

D (y): Special operating expenses

E (y): Special items

F (y): Interest income and miscellaneous income

- Operating and administrative expenses B (y)

The operating and administrative expenses B (y) for each business year is calculated by the following method.

B (y) is the operating and administrative expenses for the previous business year B (y - 1) × "efficiency coefficient α" × "adjustment factor σ"

- Efficiency coefficient α  
Specific coefficient is determined during the budget formulation process for each business year.
- Adjustment factor σ  
Specific factor is determined during the budget formulation process for each business 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 during the budget formulation process for each business year.
- Special operating expenses D (y)  
The special operating expenses 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 during the budget formulation process for each business 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 during the budget formulation process for each business year.
- Interest income and miscellaneous income F (y)  
Interest income and miscellaneous income F (y) for each business year are calculated by the following method.  
F (y) = "interest income for the current business year" + "miscellaneous income for the previous business year G (y - 1)" × "income factor δ."
- Income factor δ  
Specific factor is determined during the budget formulation process, etc., for each business 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 (assumed to be 1.03)

**Table 2 Income and Expenditures Plan (Mid-term Objective period: Business year 2012–2017)**

		(Unit: Millions of Yen)
Item		
Expenses		730,995
Ordinary expenses		730,995
General administrative expenses		49,267
Excluding special items		49,422
Operating expenses		672,899
Excluding special operating expenses and special items		658,005
Expenses for contracted programs		7,496
Expenses for donation projects		120
Depreciation		1,213
Financial expenses		0
Extraordinary losses		0
Revenues		729,953
Ordinary revenues		729,714
Revenues from operational grants		719,412
Interest income and miscellaneous income		1,472
Revenues from contracted programs		7,496
Donation revenues		120
Reversal of contra accounts for assets funded by operational grants		1,162
Reversal of contra accounts for assets funded by subsidies, etc.		52
Financial revenues		238
Interest income		238
Extraordinary income		0
Net income (loss)		(1,043)
Reversal of reserve fund carried over from the previous Mid-term Objective period		1,043
Reversal amount of reserve fund for specific purpose		0
<b>Total income (loss) for the current year</b>		<b>0</b>

Note: In some cases numbers do not correspond to the sum total figures because of rounding.

**Table 3 Financial Plan (Mid-term Objective period: Business year 2012–2017)**

		(Unit: Millions of Yen)
Item		
Cash outflows		751,779
Payments for operating activities		729,782
General administrative expenses		49,267
Excluding special items		49,422
Operating expenses		672,899
Excluding special operating expenses and special items		658,005
Expenses for contracted programs		7,496
Expenses for donation projects		120
Payments for investing activities		4,945
Payments for purchase of non-current assets		4,945
Payments for financing activities		4,087
Payments to national treasury of unnecessary property		4,087
Payments to national treasury		10,797
Reserve fund carried forward to the next Mid-term Objective period		2,168
Cash inflows		751,779
Proceeds from operating activities		729,306
Proceeds from operational grants		719,979
Interest income and miscellaneous income		1,711
Proceeds from contracted programs		7,496
Donation revenues		120
Proceeds from investing activities		6,144
Proceeds from subsidy for facilities		2,703
Proceeds from sales of non-current assets		647
Proceeds from collection of loans		2,795
Proceeds from financing activities		0
Reserve fund carried over from the previous Mid-term Objective period		16,329

Note: In some cases numbers do not correspond to the sum total figures because of rounding.



## 2 JICA Annual Plan for Business year 2014

In accordance with Article 31, Paragraph 1 of the Act on General Rules for the Incorporated Administrative Agency (Act No. 103 of 1999), the Japan International Cooperation Agency (JICA) decided the following plan for the business year 2014 operations based on the Mid-Term Plan.

### 1 Measures to be taken to achieve the objectives 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 the MDGs)

JICA will support developing countries, regions, and sectors to achieve the MDGs towards the target year 2015 with considerations where the achievement of the MDGs is still behind schedule.

##### (B) Sustained economic growth

JICA will support formulation and enforcement of policies and measures and development of human resources in areas relating to development of infrastructure, legislation, promotion of industry, trade and investment, and improvement of business environment, etc. in a way to meet the situation of partner countries and utilize Japan's knowledge. JICA will support sustaining growth with consideration for narrowing disparity and ensure that the benefits of economic growth are shared widely among the population including the poor.

##### (C) Addressing global issues

JICA will support partner countries in formulation and enforcement of policies and measures relating to global issues such as environmental sustainability, climate change, disaster prevention, and food security through applying Japan's technologies and providing assistance combining physical and intellectual resources.

##### (D) Peace-building

JICA will provide seamless assistance throughout the process from emergency humanitarian 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 medium and long-term development.

##### (E) Strengthening the strategic value of operations and improving operations management

- (1) JICA will strengthen country and regional diagnoses by making use of the JICA country analysis papers (JCAP), and enhance the quality of cooperation programs based on rolling plans for and working papers for project planning, while sharing information with the Japanese government.
- (2) To carry out operations more strategically, effectively, and efficiently, JICA will fully implement the Plan-Do-Check-Action (PDCA) cycle including ex-post project monitoring and follow-up activities and ensure that the lessons learned from previous operations are put in to practice in the subsequent operations.
- (3) JICA will place importance on capacity development; or holistic development of abilities at all levels of individuals, organizations, institutions and society and comprehensively support the process for partner countries to enhance the abilities to solve problems.
- (4) JICA will strategically implement triangular cooperation recognizing the significance and effectiveness of South-South cooperation. In addition, JICA will derive good practices with respect to aid effectiveness, Japan's presence and cost-sharing with partner countries providing assistance and accumulate and share such knowledge.

#### [2] Enhancing program and project planning and information disseminating capacity

##### (A) Enhancing program and project planning

- (1) In order to analyze the current situations surrounding development issues

in partner countries and lay out an effective direction for operation, JICA will formulate JICA Country Analysis Papers (JCAP) for approximately 49 countries in total by the end of business year 2014. At the same time, JICA will improve the quality of JCAP and utilize it more strategically through consultation in its formulation process and sharing with relevant stakeholders after its finalization.

- (2) JICA will grasp the backgrounds and the current circumstances of development issues. JICA will also formulate and utilize thematic/sector guidelines and position papers as a measure to solve the development issues thereby strengthening the ability to address them.
- (3) JICA will strengthen the system to accumulate and utilize the knowledge, and the functions of knowledge-sharing and advocating within and outside JICA.
- (4) JICA will actively participate in country-based ODA Task Forces to share information obtained through operations, etc. with the task force members including the Embassy of Japan and other Japanese public organizations. JICA will also consider and formulate a medium-term plan on operation and provide it for the country-based ODA Task Forces as a base of their discussion to contribute to improvement of predictability of Japan's assistance. Furthermore, JICA will actively share information with expanded task force members including Japanese private enterprises and NGOs.

##### (B) Contribution to Japan's leadership in the international community

- (1) JICA will participate as a key contributor in setting agenda in international development cooperation and formulating operational plans for countries and regions, and thereby share JICA's experiences and approaches, etc. broadly in international community. In particular, JICA will contribute to the discussion on the post-2015 development agenda, which is to succeed the MDGs.
- (2) JICA will strengthen strategic partnerships with emerging donors by promoting dialogues and advocating jointly issues of common concern, as well as promoting triangular cooperation with them.
- (3) JICA will share operational strategies on countries, regions, and sectors with other donors and promote collaboration at program and project levels with other organizations including multilateral donors.

##### (C) Research

JICA will conduct world class research, which contributes to improve operations and trends in international development assistance, through systematizing and utilizing knowledge that JICA accumulated and collaborating with domestic and foreign partners. JICA will strengthen dissemination of research outputs through publishing working papers and books, holding international symposiums and seminars, and improving the website. In 2014, JICA will strengthen activities on the 60th anniversary of Japan's international cooperation and the post-2015 development agenda. JICA will further improve the research system to achieve the above objectives.

#### [3] Strengthening the role as the "nexus" among various actors including promoting partnership with private sector actors

##### (A) Implementation of strategic economic cooperation for "the Strategy of Global Outreach"

- (1) In order to contribute to implementation of "the Strategy of Global Outreach", JICA will provide necessary information for conferences, etc. of the Japanese governments, such as the Ministerial Meeting on Strategy relating to Infrastructure Export and Economic Cooperation and the Conference on Supporting Small and Medium-Sized Enterprise (SMEs) in Overseas Business.
- (2) As a means to contribute to solution of development issues, JICA will strengthen its system and implement programs, including Japanese ODA Loan, Private Sector Investment Finance (PSIF), Technical Cooperation, etc., to support export of infrastructure, etc. by Japanese private enterprises, etc.
- (3) As a means to contribute to solution of development issues, JICA will strengthen its system and implement programs that will support overseas business development of Japanese private enterprises including SMEs

and local governments, etc.

- (B) Partnership with various actors such as NGOs and private enterprises
- (1) JICA will hold a dialogue meeting with NGOs and reinforce partnerships with them.
  - (2) JICA will hold management committees for the JICA Donation Fund for the People of the World, which includes NGO members to ensure appropriate management of the fund.
  - (3) JICA will identify needs, analyze lessons from operations, and disseminate information externally with regard to JICA's partnership with the private sector.
  - (4) JICA will strengthen partnership with Japanese private enterprises, including SMEs and economic federations, etc. and take measures to increase development partners that will collaborate with JICA's partnership programs with the private sector.
  - (5) In order to contribute to foster and ensure human resources of Japanese private enterprises, who are necessary for their global outreach, JICA will promote measures such as the Overseas Volunteering Program in Collaboration with the Private Sector.
  - (6) JICA will expand collaborative lectures with universities and university-JICA partnership conferences. In addition, JICA will promote partnerships with academic institutions, etc. through programs such as Technical Cooperation projects (The Project for the Promotion and Enhancement of the Afghan Capacity for Effective Development (PEACE) and African Business Education Initiative for Youth (ABE Initiative), etc.) and Science and Technology Research Partnership for Sustainable Development (SATREPS).
  - (7) JICA, mainly through domestic offices, will identify the needs of local governments for revitalizing regions in Japan and promote partnership with them. JICA will implement projects under special framework for revitalizing regions and promote partnership with local governments through various programs.

[4] Enhancement of understanding and participation of Japanese people

(A) Volunteer programs

- (1) In accordance with prioritized development issues, JICA will further utilize the Country Volunteer Dispatch Plans and monitoring results on group dispatch programs. JICA will also continue to formulate new projects in line with the prioritized development issues in particular of Senior Volunteers (SVs) program. Further, JICA will increase the number of volunteers working in the field of sports, thereby contributing to the 'Sport for Tomorrow' program.
- (2) In order to improve the quality of volunteer programs through collaboration with JICA's other programs and other organizations, JICA will share knowledge in international conferences related to volunteer programs and discussions with other donors and international organizations. JICA will also promote collaboration with those organizations at the field level. Further, JICA will prepare for the annual conference of International Volunteer Cooperation Organizations in 2015 in Tokyo.
- (3) JICA will review the content of the website that disseminates information on volunteer activities to increase the visibility. JICA will also utilize alternative media to report volunteer activities.
- (4) JICA will continue to assist volunteers in formulating activity plans and monitoring the progress from overseas offices to support field activities by volunteers.
- (5) In order to facilitate the broad participation of the public as a public participation program, JICA will enhance the Overseas Volunteering Program in Collaboration with the Private Sector and promote volunteer programs in partnership with local governments and universities.
- (6) JICA will upgrade its website and utilize social media to recruit volunteers more effectively and efficiently. JICA will monitor the effectiveness of second round selections (interviews) in regional cities for Japan Overseas Cooperation Volunteers (JOCVs) and Senior Volunteers (SVs) to make the selection process more efficient, which was officially introduced in business year 2013.
- (7) JICA will properly monitor the effectiveness of the training programs for the JOCVs and the SVs introduced in business year 2013.
- (8) To support returned volunteers in seeking their careers, JICA will efficiently operate a career support website and take measures such as hosting

seminars on volunteer programs targeting private enterprises and local governments (four times a year) and providing trainings to returned volunteers.

- (9) JICA will collect and broadly share good practices of returned volunteers contributed to society in Japan by making use of their volunteer experiences, thereby encouraging such contribution by returned volunteers, who have global prospective.

(B) Citizen participatory cooperation

- (1) JICA will update partner country information, which is useful for Japanese NGOs and local governments to operate overseas, on the website.
- (2) For the JICA Partnership Program, JICA will hold briefing sessions for Japanese partner organizations to facilitate smooth start-up and implementation. JICA will also review the project implementation plan after a project commences and conduct a terminal evaluation.
- (3) JICA will discuss with NGOs about the JICA Partnership Programs in the discussion meetings and take necessary measures. In particular, JICA will monitor the effectiveness of modified procedures and also review the system of the JICA Partnership Program (Local Government Type).
- (4) JICA, through the JICA Global Plazas in Ichigaya (Tokyo) and Nagoya, will provide services to support various works of international cooperation by Japanese citizens. At the JICA Global Plaza in Ichigaya, JICA will expand the Virtual Global Experience Area to offer more effective exhibitions to Japanese citizens. JICA will also enhance communication with Japanese NGOs, private enterprises including SMEs and citizens, etc. by measures including utilization of social media and increase opportunities to promote their understanding of international cooperation. Through these measures, JICA will steadily increase the number of information transmitted in comparison with that of business year 2013. JICA will conduct a questionnaire survey of user satisfaction at the JICA Global Plaza in Ichigaya and aim to achieve the target of more than 70% of answers with ratings of 4 or better on a 1-to-5 escalating scale of satisfaction.
- (5) JICA will foster human resources that practice development education and improve the quality of development education programs by reinforcing partnerships with Japanese NGOs, educational institutions, local governments, etc. mainly through JICA domestic offices, thereby facilitating effective implementation of development education.
- (6) JICA will improve the website for development education and aim to achieve the target of website accesses in excess of 100,000. Additionally, JICA will aim to achieve over 9,000 participants who participated in trainings on development education mainly implemented by JICA domestic offices.
- (7) JICA will facilitate various support programs for NGOs engaged in international cooperation to build their institution and improve their project management skills. In addition, JICA will continue to improve the quality of those programs.

(C) Fostering human resources for development (Training and securing human resources)

- (1) JICA will further utilize "PARTNER," a website operated by JICA, which contains comprehensive international cooperation career information. JICA will improve services for individuals and organizations and make efforts to obtain new registrations. In business year 2014, JICA will aim to achieve the target of 1,500 new individual registrations, 85 new registrations of organizations, an increase of 200 pieces of information from the previous year and 200 face-to-face career consultations. JICA will also reinforce the information services to support the registered users of PARTNER for their capacity enhancement.
- (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 achieve the target of 270 participants in those courses.
- (3) JICA will accept interns from among young professionals or graduate students that 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. JICA will aim to achieve the target of approximately 30 interns.

(D) Public relations activities

## (i) Communicating information on ODA activities

Based on JICA's public relations strategy, JICA will conduct public relations activities as a core task of the whole organization. JICA will disseminate to the general public the significance of international cooperation and development issues behind them while conducting specialized public relations to opinion leaders such as intellectuals and mass media.

JICA will put emphasis on public relations in partner countries and in local areas of Japan to foster understanding of Japan's ODA. In business year 2014, JICA will strengthen public relations activities in Japan and overseas to promote understanding of the 60th anniversary of Japan's international cooperation and the post-2015 development agenda. JICA will also continue a questionnaire survey on international cooperation and reflect its results on JICA public relations strategy.

## (ii) Increasing the visibility of ODA (greater transparency)

In order to make operations thoroughly visible, JICA will publish information on all new projects on its website. In business year 2014, JICA will also upload the completed Technical Cooperation projects for which ex-post evaluation were carried out.

## [5] 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 partner country/region, particularly in human resources development, 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 JICA training and dialogue programs, JICA will transfer the designing and planning functions from the domestic offices to sector-focused departments on a full scale. The sector-focused departments and the domestic offices will work together to formulate the programs based on cooperation programs and key policies of the Japanese government.

## (ii) Loan Assistance

- (1) JICA, through Japanese ODA Loans, will appropriately and promptly formulate and implement projects to properly address issues in the developing area such as economic development and economic independence through self-help efforts, based on the needs of the developing area and through partnership with the private sector.
- (2) In order to speed up the process of Japanese ODA Loan projects, JICA will promote measures, which include increasing the proportion of the projects that takes nine months or less from the starting point to signing of loan agreement against all the projects that have loan agreement signed in business year 2014.
- (3) Based on priorities of the government policies, needs of the developing area and issues arising from project implementation, JICA will work with the government to improve the operation system for formulating and implementing projects with more development effectiveness, such as reduction of foreign exchange risk for recipient countries.
- (4) As for Private Sector Investment Finance (PSIF), JICA will improve and strengthen the operation systems, the risk assessment and management system, etc., reflecting lessons learned from the pilot approach and operations after full resumption, thereby promoting development of the developing area driven by the private sector.

## (iii) Grant Aid

- (1) JICA will appropriately and promptly formulate and implement projects to assist partner countries and regions with main purpose of economic and social development, primarily in the fields of basic human needs, development of social and economic infrastructure, protection of environment and human resources development.
- (2) JICA will improve the workflows and procedures on project formulation and management in order to implement effective Grant Aid projects and advance the program-based approach, based on priorities of the government policies, needs of the developing area, and issues arising from implementation.

## (B) Disaster Relief activities

- (1) When a large-scale disaster occurs, JICA will accurately grasp the needs of a disaster-stricken country through gaining information from various

sources. JICA will provide prompt, flexible and effective emergency relief assistance of appropriate scale and content combining available resources and collaborating with the international community. JICA will continue to review the emergency relief operations and reflect the 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 detailed preparations for dispatching a medical team equipped with surgery functions. JICA will also make preparation for introducing an electronic health record system to make medical information treatment more prompt and efficient. As to the search and rescue team, JICA will make preparation for re-certification of the team at the internationally recognized level, through which process JICA will improve its dispatch system and the quality of training. As to the provision of disaster relief supplies, JICA will analyze problems in past operations and optimize the reserve system from the viewpoint 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 in case of emergency. 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 government policy, JICA will conduct its operations effectively and efficiently with emphasis on sectors of elderly care and human resources development while carefully observing the settlement and stabilization of emigrants. JICA will implement *Nikkei* individual training programs efficiently, while downsizing the volume of operations. JICA will also share information with the 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 review the situation of loans in detail in each country and classify those loans appropriately.
- (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 exhibitions, utilize educational materials, and strengthen partnerships with surrounding municipalities surrounding the museum and relevant organizations. In business year 2014, JICA will aim to achieve the targets of more than 30,000 visitors to the museum, more than 5,000 participants in education programs, including student visitors, and more than 113,182 accesses to the museum website.

## [6] Cross-cutting issues in operations

## (A) Environmental and social considerations

- (1) In accordance with the JICA Guidelines for Environmental and Social Considerations, JICA with the involvement of third-parties, will conduct assessment of projects and confirmation of the results of the monitoring with regard to environmental and social considerations.
- (2) JICA will prepare review of operation of the JICA Guidelines for Environmental and Social Considerations.
- (3) JICA will provide trainings for JICA staff at the headquarters and overseas offices, JICA experts, consultants, and officials of partner country governments on the JICA Guidelines for Environmental and Social Considerations.

## (B) Gender equality

- (1) JICA will continue to share information within JICA on good practices to enhance gender mainstreaming activities of each department. While disclosing results of gender mainstreaming efforts by each department, JICA will also continue to conduct lectures on gender equality for JICA staff, JICA experts, and relevant external parties to promote project management and activities that integrate gender perspectives appropriately.
- (2) Through monitoring priority projects, JICA will formulate and select good

projects that will bring women's potential into full bloom and encourage their social advancement, and share the information to other operations.

(C) Operations evaluation

- (1) JICA will conduct ex-post project evaluations and obtain recommendations and lessons appropriately and improve the utilization process to reflect recommendations and lessons on operations. As for improving the quality of operations evaluations, JICA will utilize reference materials on common indicators and representative lessons on major development issues, promote capacity enhancement of external personnel engaged in operations evaluation, and conduct qualitative analysis on evaluation results.
- (2) JICA will release the Annual Evaluation Report in a reader-friendly way, including prompt publication on the JICA website. JICA will increase the number of project evaluation reports, etc. that are published on the JICA website and improve the function of search system of the JICA website on operation evaluation. In addition to publishing operations evaluations results, JICA will actively disclose other information on evaluations.
- (3) JICA will promote establishment of outcome indicators as well as utilization of lessons from the past operations in ex-ante evaluation at program level. JICA will conduct impact evaluation to accurately measure the impacts of a project and utilize the results to share within and outside JICA and improve the operations.

(D) Reinforcement of security measures

- (1) JICA will conduct the orientations on security measures for relevant persons prior to their dispatch and during their stay overseas.
- (2) On operations including construction works, etc., JICA will ensure that the governments and the executing agencies of partner countries, consultants and contractors will make every possible effort to enforce safety measures and if necessary, support them. JICA will thoroughly disseminate the reference manual on safety measures, give advice to contractors through on-sight survey, and continue to take measures to prevent recurrence of accidents. In addition, JICA will consider taking further actions such as application of the safety management guidelines for construction work.

(E) Implementation of measures needed for execution of foreign policies, etc.

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 (JICA act).

**2 Measures to be taken to achieve the objectives regarding improvement of the efficiency of the administration of operations**

[1] Improving flexibility in organizational management

- (1) JICA will review the principle of organizational structure at the headquarters and the functions and roles of each divisions and departments, to promptly respond to the government policies on ODA and development needs of each country/region to conduct operations strategically and effectively.
- (2) JICA will review the allocation of overseas offices with considerations to changes in international circumstances relating to politics, economics and securities of the developing area, the duration of project implementation, and number of long-term residents that requires safety considerations. JICA will respond properly to the decision made by the government on sharing facilities or neighboring overseas offices with other incorporated administrative agencies of Japan.
- (3) JICA will reinforce functions at the field level by taking measures such as clarification of National Staff's roles and training of them, proper assignment of personnel from Japan in accordance with the needs of overseas offices, and support from the headquarters to overseas offices, etc. Furthermore, JICA will implement a responsive framework for the operations of overseas offices.
- (4) JICA will conduct operations without delay under the new structure of the headquarters and domestic offices following the closure of Hiroo Center. For Tokyo International Center and Yokohama International Center, JICA will examine their roles and functions considering long-term direction of the training program, the position of the Japanese Overseas Migration Museum, the utilization rate of facilities, etc. In doing so, JICA will also give consideration to a direction of partnership with local governments, etc.

- (5) In order to play the role as the "nexus" among various actors in Japan, JICA, through its domestic offices, will strengthen partnerships with private enterprises, NGOs, local governments, and universities, etc. and conduct activities taking advantage of the characteristic of each domestic office. In partnership with private enterprises in Japan, JICA will carry out activities which are also beneficial to SMEs in particular. Through these measures, JICA will aim to increase the number of users of domestic offices from business year 2013.

[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, as measures to reduce single-party bids and applications, JICA will carry out periodic monitoring and analysis of contracts and continue the examination by the Contract Monitoring Committee.
- (2) For further improvements in the procedures of contracts with consultants, JICA will continue with improvement of contract management and performance evaluation, enhancement of dialogues with private enterprises, etc. through briefing meetings, and trial, monitoring and modification of the comprehensive evaluation bidding method. Furthermore, JICA will increase the number of announcement for scheduled contracts to improve the environment where companies are willing to bid.
- (3) From the viewpoint of ensuring proper contracts including improvement of competitiveness, JICA will monitor the data on negotiated contracts without competitiveness, reflect it on the guideline, and continue inspection by the Contract Monitoring Committee of non-competitive negotiated contracts.
- (4) From the viewpoint of improving the transparency of contracts, JICA will continue and consolidate measures such as disclosure of the process, criteria, and results of selection of contracting partners and the record of contracts with corporations with which JICA has had certain relationship. JICA will increase the number of contracts with consultants, audited by the external auditors.
- (5) JICA will continue to take measures such as random inspections on subcontracting agreements regarding the contracts with consultants to ensure its proper operations. JICA will also appropriately investigate information on fraud and other wrongful acts and take strict measures in the event any fraud and other wrongful acts have been identified and confirmed.
- (6) In contracting with associated public service corporations, JICA will conduct competitive bidding as a general rule, allowing non-competitive negotiated contracts only when absolutely unavoidable, and take measures to reduce single-party bids and applications. Furthermore, JICA will improve the transparency through disclosing the record of contracts with corporations with which JICA has had certain relationships with.

(B) Improving governance and transparency

- (1) JICA will have audits by accounting auditor appropriately, and strengthen internal control.
- (2) JICA will conduct internal audits by a systematic method with attention to risks particular to types of operations, thereby contributing to improvements in management and supervision of operations.
- (3) JICA will undertake concrete measures in response to the audit report and monitor how the measures are enforced.
- (4) In accordance with the "Internal Control at JICA", JICA will strengthen the internal control environment through periodic council at Board of Directors meetings and related committees on risk management. In addition, JICA will also raise the awareness of internal control by giving feedbacks of the council to each division. At a division level, JICA will sustain and improve the internal control environment through annual work plan of each division. Through these measures, JICA will establish a system to properly recognize and share risks and swiftly share important information with the management and strengthen the function of the internal control, including risks particular to the financial operations. Furthermore, JICA will enhance the internal control in overseas offices.
- (5) JICA will continue to take measures to make the internal whistle-blowing system known throughout JICA and appropriately respond to whistle-

blowing reports.

- (6) As to information security management, JICA will have external audits to confirm the effects of past measures. JICA will manage the PDCA cycle for further improvement. JICA will make self-evaluation on performances that were executed based on the annual plan, with the involvement of external experts. JICA will share the results within the organization and reflect them on the subsequent operations.
- (7) JICA will appropriately operate service for receiving suggestions to improve JICA's operations from experts, volunteers, and organizations entrusted with operations. JICA will semi-annually publish the suggestions made and the actions taken in response to them.

(C) Streamlining and optimizing administrative operations

- (1) With regard to contracts with consultants JICA will streamline procedures for application, selection, and contract management and simplify procedures for final adjustment of contract price. Furthermore, JICA will monitor operations administered under the revised procedures and make adjustments of the workflow when necessary.
- (2) JICA will review items in specification document and prepare format and sample documents concerning general contracts to streamline and simplify administrative procedures. JICA will improve efficiency of administrative work and reduce costs by conducting lump sum contracts at the headquarters on procurement of services and equipment, for which lump sum ordering is possible.
- (3) JICA will review and streamline the procurement procedures in partnership programs with the private sector.
- (4) JICA will streamline the administrative work for equipment procurement, including export control, and hold briefing sessions to disseminate information on revised procedure internally and externally.
- (5) JICA will strengthen the support system in the headquarters for overseas offices to implement procurement appropriately. JICA will prepare reference materials concerning procurement procedures in overseas offices and systematically dispatch short-term procurement advisors to train national staff and improve procurement systems of overseas offices.
- (6) As for the administrative work concerning dispatching JICA experts, JICA will introduce the procedures that were revised in business year 2013, including streamlined application and approval procedures for housing allowances and a simplified travel system.
- (7) As for the training and dialogue program, JICA will introduce the procedures that were revised in business year 2013, including new evaluation system and administrative procedure. JICA will further consider other measures for improvements.
- (8) As for volunteer program, JICA will review related procedures that are necessary for more streamlining. JICA will also revise relevant rules and disseminate them to relevant persons. JICA will also improve the IT system on to speed up administrative procedures.

[3] Cost efficiency, appropriate level of salaries, and proper review of assets

(A) Cost efficiency

For programs that operate on utilizing operational grants, JICA will improve the efficiency of the total amount of general administrative expenses and the operating expenses (excluding the special operating expenses and one-time items) by at least 1.4% from business year 2013. However, it is not applied to the personnel expenses that are prescribed on the next item.

(B) Appropriate level of salaries

JICA will introduce measures to realize an appropriate salary level including the Laspeyres Index according to plans and disclose the results of the review and the progress of the measures. As for the total personnel expenses including overseas allowance, JICA will respond to the government policy appropriately.

(C) Appropriate review of assets

JICA will continue to disclose detailed information on its assets. JICA will also review the details of the assets and examine their necessity. For employee housing, JICA will take appropriate measures that are consistent with the government policy for the review of employee housing of incorporated administrative agencies.

JICA will consider effective ways to utilize the portion of the Takebashi

Godo Building. Should a decision be reached that the property is not needed and selling is the logical course of action, JICA will dispose of the property.

### 3 Budget (including an estimate of the personnel cost), income and expenditure plan, and financial plan (excluding the Finance and Investment Account)

JICA will continue to make efforts to secure, properly manage and operate self-revenues.

- (1) As for the operational grants and subsidy facilities which have been additionally allocated according to the business year 2012 supplementary budget (No. 1), JICA will utilize them for Technical Cooperation related to programs for supporting overseas development of Japanese SMEs and local governments and improvements in JICA facilities to strengthen measures for disaster prevention, 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).
- (2) As for the operational grants and subsidy for facilities which have been additionally allocated according to the business year 2013 supplementary budget (No. 1), JICA will utilize them for Technical Cooperation related to programs for supporting overseas development of Japanese SMEs and local governments and the improvements in JICA facilities to strengthen measures for disaster prevention, with a recognition that those grants and subsidies have been allocated for measures to strengthen competitiveness and acceleration of measures for disaster prevention and safety by the "Economic Measures for Revitalization of Virtuous Cycles" (December 5, 2013).

### 4 Short-term loan ceilings

General Account: 62 billion yen

Finance and Investment Account: 220 billion yen

Reasons: The General Account may require loans to avoid late payments of personnel expenses to employees and operational expenses in the event of an approximately three-month delay in the receipt of operational grants from the government of Japan.

The Finance and Investment Account may require loans to deal quickly and efficiently with events such as short-term funding gaps between short-term loan repayments and collection of loans, temporary funding when Fiscal Investment Loan Program Agency Bonds are issued, rapid changes in the amount of loans extended, etc.

### 5 Plan for disposing of unnecessary property or expected to become unnecessary property

JICA will sell 27 condominiums used for employee housing and reimburse the national treasury for these assets by paying an amount calculated according to the standards described by the competent minister. JICA will transfer the property of Hiroo Center to the national treasury by the end of business year 2014. JICA will prepare disposal of employee housings of Tokorozawa, Tsukuba (outside the Tsukuba International Center's compound), Komagane (outside the Komagane Training Center's compound) and Shinohara-cho.

### 6 Uses of surplus fund (excluding the Finance and Investment Account)

JICA may allocate the surplus fund if occurs to programs that contributes to improvements in the quality of operations and to expenses that is necessary for the improvement of facilities and equipment, while taking into account the progress of the Mid-term Plan.

### 7 Other items related to operations management stipulated by the Ordinances of the Ministry

[1] Facilities and equipment

JICA will improve and repair facilities and equipment according to the necessity such as coping with their aging.

[2] Personnel planning

- (1) JICA will continue to improve training for those who are responsible for

personnel evaluation properly conduct an annual personnel evaluation and reflect the results of evaluation of the preceding year on personnel treatment.

- (2) JICA will assign the right person to the right place to improve the effectiveness and efficiency of operations and further strengthen overseas offices.
- (3) JICA will review to expand the consultation system on career development. JICA will continue and improve the stratified training and various specialized training, including temporary transfer to international organizations. JICA will also improve training for JICA staff to develop core skills.
- (4) JICA will take concrete measures for staff members to keep a good balance between overseas assignments and family life.

[3] Matters related to the handling of assets obtained from the disposal of reserve fund and the collection of loans

- (1) The reserve fund carried over from previous Mid-term Objective period is to be allocated for the financial resources of the contracts (excluding the Operations of the Cooperation through Finance and Investment) for which liabilities exceed the Mid-term Objective period due to unavoidable reasons in the immediately preceding Mid-term Plan, accounting treatment concerning the amount that affects income and losses, such as deferred and accrued accounts that were reported during the previous Mid-term Objective period. Furthermore, the amount approved from the competent minister in accordance with Article 31 of the JICA Act is to be allocated for the financial resources of revenue expenditure.
- (2) Of the amount of loans and funds collected during the previous Mid-term Objective period, the amount approved from the competent minister in accordance with Supplementary Provisions Article 2 of the Enforcement Ordinance for the JICA Act (Cabinet Order No. 409 of 2003) is to be allocated for the financial resources of improvements in facilities and equipment.

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# 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 \$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.

## 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.

## Cross-Border Transport Infrastructure (CBTI)

Infrastructure required for transportation that crosses multiple national borders, and the infrastructure that comprehensively includes physical "hard infrastructure" such as ports, railroads, highways, cargo transshipment facilities, national border facilities and, weighbridges (truck scales), as well as "soft infrastructure" such as cross-border transport laws, regulations related to border crossing (e.g., customs clearance, quarantine), and organizational systems, laws and regulations for smoothly operating and maintaining the

hard infrastructure mentioned above.

## 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 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.

## Infrastructure Systems Export Strategy

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 2013, infrastructure-related system exports became the third central element of Japan's growth strategy. 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 systems export strategy and strategic economic cooperation.

## 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.

## 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 \$4,086 and \$7,115 in 2012 (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.

**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.

**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.

**R REDD-plus**

REDD-plus is a framework where developed countries extend economic support, such as financial support, to those developing countries that reduce greenhouse gas emissions, and/or maintain and enhance forest carbon stocks, through suppression of deforestation and forest degradation and through sustainable management of the forests in their countries. In turn, the developed countries that extend their support receive credits for the reduced amount of greenhouse gas emissions or maintained or increased amount of carbon stock stored in forests, and can incorporate such credits into their own countries' efforts to reduce greenhouse gases.

**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.

**T Tokyo International Conference on African Development (TICAD)**

An international forum focusing on African development. Since 1993, TICAD has been cohosted 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.

**Universal Health Coverage (UHC)**

The concept refers to "the ability of all people to receive appropriate services related to health promotion, prevention, medical treatment and functional recovery at a cost they can pay." Achieving UHC was adopted as a new common goal for the international community at the United Nations General

Assembly in December 2012. In May 2013, the Japanese government announced its Strategy on Global Health Diplomacy, in which it promotes universal health coverage. And at the Fifth Tokyo International Conference on African Development (TICAD V) in June 2013 the government announced Japan's commitment to provide assistance in the field of health to promote UHC in Africa.

**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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