

## JICA 2017

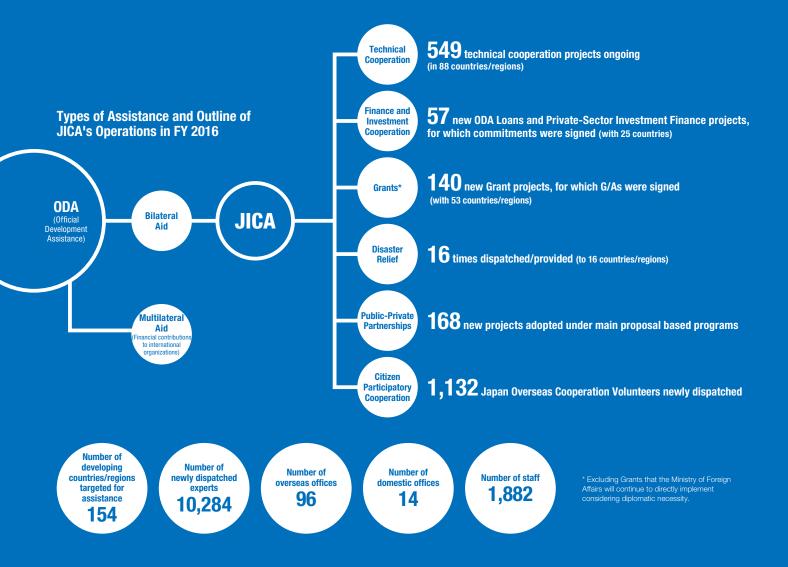
JAPAN INTERNATIONAL COOPERATION AGENCY

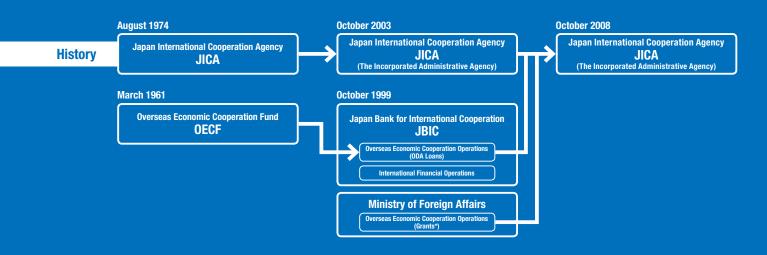
ANNUAL REPORT



JICA, an incorporated administrative agency in charge of administering Japan's ODA, is one of the world's largest bilateral aid agency supporting socioeconomic development in developing countries in different regions of the world.

Under its new vision set out in July 2017, JICA supports the resolution of issues in developing countries through a flexible combination of various types of assistance methods as illustrated below.





#### **Mission**

JICA, in accordance with the Development Cooperation Charter, will work on human security and quality growth.

#### **Vision**

## **Leading the world with trust**

JICA, with its partners, will take the lead in forging bonds of trust across the world, aspiring for a free, peaceful and prosperous world where people can hope for a better future and explore their diverse potentials.

#### **Actions**

1

**Commitment:** Commit ourselves with pride and passion to achieving our mission and vision.

2

**Gemba:** Dive into the field ("gemba") and work together with the people.

3

**Strategy:** Think and act strategically with broad and long-term perspectives.

4

**Co-creation:** Bring together diverse wisdom and resources.

5

**Innovation:** Innovate to bring about unprecedented impacts.

# Toward Achieving the SDGs with Japan's Experience

**Expanded Food Production** 

## An 80% increase



The rate of increase in rice production in Sub-Saharan Africa [From 14 million tons in the baseline year to 25.16 million tons in 2014<sup>1</sup>]

In Africa, rice consumption is surging due to population growth. JICA and 10 other donors are taking the initiative called the Coalition for African Rice Development (CARD), designed to take advantage of Japan's rice cultivation technology to double rice production in Sub-Saharan Africa to 28 million tons for a ten-year period ending in 2018.

**Mathematics and Science Education** 

## 930,000 people in 60 countries



Maternal and Child Health Handbook

25 countries 8 million copies

The total estimated number of copies of the Maternal and Child Health (MCH) Handbook distributed in Japan and 25 countries in one year (2016)

The MCH Handbook, originally developed in the post-war reconstruction period in Japan, has been modified since the 1990s to fit the conditions of each developing country and is now widely used as a tool for recording the health status of babies and mothers worldwide.

The total number of teachers who received JICA's training in mathematics and science education (1994-2015)

Japan strategically promoted mathematics and science education. The outcomes of this education have been a major driver of the country's economic growth. Japan's education system, including quality curricula and teaching materials, is utilized in developing countries as well.

# JICA at a Glance JICA's Contributions in Figures

**Access to Safe Water** 

## 59 million people



The total number of people who gained access to water with JICA's aid for water supply facilities (2002-2016)

Ensuring sustainable access to safe water requires development of both hard and soft infrastructure, including institutional capacity and users' associations as well as waterworks and wells. Japan boasts world-class water supply systems. JICA works with Japanese water utilities (local governments) to transfer their technologies to the developing world.

Note: The figures represent some of the typical outcomes of JICA's activities that capitalize on Japan's strengths and help achieve the SDGs.

- Food and Agriculture Organization Corporate Statistical Database (FAOSTAT), 2014
- 2. African Business Education Initiative for Youth [→ see page 89]

While the Millennium Development Goals (MDGs) were highly relevant to developing countries, their successor, the Sustainable Development Goals (SDGs), are designed for all countries worldwide to realize sustainable societies that are integrated and balance the three dimensions of development: the economic, social and environmental. In this respect, Japan's development experience and the unique know-how and technologies that have been acquired in the process can be the country's strengths to achieve the SDGs.

JICA will make the most of these strengths to support efforts toward achieving the SDGs through continuous dialogue with partner-country governments and diverse development partners.



Global Goals toward 2030

**Clean Energy** 

1,230 mw

Total installed capacity of operational geothermal power-generation facilities that have been built with Japanese ODA Loans (since fiscal 1978)

Japan, as a volcanic country, is advanced in terms of geothermal power generation. Securing a stable supply of energy with less environmental stress is a common challenge for countries around the world. This is where Japan's technology can be utilized.

**Development of Industrial Human Resources** 

821 students



The number of ABE Initiative participants (fiscal 2014-2016)

The ABE Initiative<sup>2</sup> is a scholarship program that invites young people from Africa to Japan and provides opportunities to study at graduate schools and work as interns at firms in the country. Apart from this, JICA works on offering higher education and developing industrial human resources also in Asia and elsewhere.

**BOSAI: Disaster Risk Reduction** 

1/70th



The reduction in fatalities due to cyclones in Bangladesh

A comparison in death tolls caused by cyclones of similar scale between the 1970s and 2007 (The figure reflects the development outputs of assistance provided by other donors also.)

Taking advantage of Japan's disaster experiences, JICA offers seamless cooperation in disaster risk reduction that incorporates preparedness, emergency response, and recovery and reconstruction. JICA's continued assistance to Bangladesh, which involves constructing multi-purpose cyclone shelters, installing weather observation radars, and training staff at meteorological offices, have proved effective in reducing associated damage.

Advanced Technology for Environmental Conservation



7,600 cases

The annual number of cases where forest change was detected in 77 countries (From March 2016 to February 2017)

JICA works with the Japan Aerospace Exploration Agency (JAXA) to maintain constant watch by satellite on deforestation and forest loss in tropical regions of the globe, helping to control illegal logging. Cutting-edge space technology protects the environment.

**Japan Overseas Cooperation Volunteers** 

**42,972** volunteers



The cumulative total number of JOCVs dispatched (fiscal 1965-2016)

JICA volunteer programs, most notably the Japan Overseas Cooperation Volunteers (JOCVs), are designed to dispatch Japanese people who wish to help people in developing countries to many parts of the world. More emphasis on partnership with communities and the private sector in Japan in recent years has resulted in more participation from businesses, schools, etc. as career-break volunteers.

## HIGHLIGHTS 2016

Major Topics of Fiscal 2016

August 2016

#### **TICAD VI Held in Nairobi**

Adoption of Nairobi Declaration that aims for the promotion of African ownership and strengthening of international cooperation

The Sixth Tokyo International Conference on African Development (TICAD VI) was held in Africa for the first time. The Nairobi Declaration adopted at the conference set out three priority areas calling for the promotion of (1) structural economic transformation through economic diversification and industrialization, (2) resilient health systems for better quality of life, and (3) social stability for shared prosperity. JICA will continue extending assistance in line with the TICAD commitments along with African nations and partners.

JICA President Shinichi Kitaoka and former JOCVs attended the award ceremony held in Manila.



August 2016

## JOCVs Receive Ramon Magsaysay Award

In recognition of contributions in Asia over more than half a century

The Japan Overseas Cooperation Volunteers received the Ramon Magsaysay Award, which is considered Asia's equivalent of the Nobel Peace Prize and celebrates greatness of spirit and transformative leadership in Asia. This award is granted to individuals and organizations that have achieved excellent results in social contributions in Asia. The award was presented in recognition of the contributions that the JOCVs have made over the years based on the principle of living together and working together with local people. The JOCV dispatch program marked its golden anniversary in 2015. As of the end of March 2017, a cumulative total of 12,403 JOCVs had been dispatched to the Asian region.



November 2016

## 10th International Conference on Maternal and Child Health Handbook Held in Tokyo

From Japan to the world! Aiming for a global standard

The 10th International Conference on Maternal and Child Health Handbook was held in Tokyo in November 2016 with the participation of about 400 people from 38 countries and regions. Cohosted by JICA, the meeting was a valuable opportunity for the participants to learn from one another through the experiences in Japan and various countries. On the final day, the conference adopted the Tokyo Declaration urging promotion of MCH Handbooks as an international standard tool to realize a world in which "No one will be left behind." JICA has been assisting the introduction of Maternal and Child Health Handbooks in more than 25 countries so far.



A JICA expert explains the MCH Handbook in Palestine. (Photo by Kenshiro Imamura)



JICA High-level Panel: Africa, toward 2063 and beyond

→ See "Africa" on pages 46-49 and the Case Studies on pages 59, 67, and 75

August– September 2016

#### **JICA Volunteers Support Athletes from Developing Countries**

**Rio Olympic and Paralympic dreams** 

Athletes from six countries (Chile, Laos, Mongolia, Samoa, the Solomon Islands, and Paraguay) who had received assistance from JICA volunteers appeared in two events, judo and track-and-field, at the Olympic and Paralympic Games in Rio de Janeiro. These athletes from around the world, who had trained hard with the dream of performing on the hallowed stage, had received encouraging support from JOCVs and Senior Volunteers, who provided advice on not only athletic matters but also self-discipline, compassion for others, and the importance of a never-give-up spirit. Thanks to this guidance, the athletes grew mentally, technically, and physically, and their performances fostered pride in their own nations and the promotion of understanding in other countries.



A JOCV (left) who also served as the head coach for the Samoan judo team poses with judoka Derek Sua.

#### **JDR Medical Team Acquires WHO Certification as Emergency Medical Team**

Becomes world's fourth such certified EMT



The Japan Disaster Relief medical team has been certified as an emergency medical team by the World Health Organization (WHO). The WHO introduced a global registry in 2015 so as to ensure the quality of EMTs dispatched at times of disaster, and the certification means that the JDR passed the verification test. Much expectation is being placed in Japan's contribution to the stable supply of high-quality medical services and to WHO-led international efforts.

A JDR medical team performs a surgery in Nepal.



## Counter-terrorism Seminars and Self-Defense Training Kicks Off Preparing for real-world crisis

In self-defense training, participants learned how to prepare and stay safe in different types of attacks.

In response to the final report by the Council on Safety Measures for International Cooperation Projects, set up jointly by JICA and the Ministry of Foreign Affairs, JICA in October 2016 began safety training for private companies, local governments, universities, NGOs, and other partners engaged in development assistance. In fiscal 2016, more than 1,600 personnel were trained in the 17 training sessions. The lecture was also provided online. The training offered primary skills and techniques of self-defense to defend oneself in potential risks in field operations. The participants also learned about personal security precautions in different types of attacks in real-life scenarios.



See "Security and Safety Management" on page 119

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#### **JICA Websites and Others**

For detailed information of JICA's activities, please see our websites. "ODA mieruka site" is a website for visualizing ODA, which presents information such as photos of ODA projects. JICA also publishes Annual Evaluation Reports, which provide information on current evaluations activities as well as summaries of evaluation results.

#### **JICA Website**

https://www.jica.go.jp/english/index.html



#### ODA mieruka site

https://www.jica.go.jp/oda/index.html



#### **Annual Evaluation Report 2016**

https://www.jica.go.jp/english/our\_work/evaluation/reports/2016/index.html





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\* For statistics on program results, financial statements and financial conditions, please refer to the JICA Annual Report Data Book 2017.

https://www.jica.go.jp/english/publications/reports/annual/index.html

#### JICA Annual Report 2017 Figures and Maps

- JICA Annual Report 2017 Figures and Maps
   This annual report summarizes the activities of JICA in fiscal 2016 (April 1, 2016 to March 31, 2017).
   The figures contained in the report are those for the fiscal year mentioned above in the case of JICA and for the calendar year 2016 (January 1, 2016 to December 31, 2016) 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.
   All sums indicated with a dollar sign (\$) refer to US dollars and are calculated at an exchange rate of \$1.00 = ¥ 108.8 (the official Development Assistance Committee [DAC] rate in 2016).
   All maps contained in the report are approximate. National borders that are under dispute or unclear have been entered merely for convenience.
- been entered merely for convenience.

#### Cover photo

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Photographers: 1 Kensaku Seki; 2, 5–9 Kenshiro Imamura; 3, 4, 12 Shinichi Kuno; 10 Yuki Shigeno; 11 Takeshi Takeda

## **Message** from the President

## "Trust" is the key word in challenging global issues

#### Shinichi Kitaoka

President,
Japan International Cooperation Agency (JICA)



#### Profile

Born in 1948. Graduated in law from the University of Tokyo. Obtained his PhD from the Graduate Schools for Law and Politics of the University of Tokyo. Has served as Professor in the Faculty of Law of the Rikkyo University, Professor in the Faculty of Law of the University of Tokyo, Ambassador Extraordinary and Plenipotentiary, Deputy Permanent Representative of Japan to the United Nations (2004–2006), Professor at the National Graduate Institute for Policy Studies (GRIPS), and President of the International University of Japan. Appointed to his current post in October 2015.

#### **Fiscal 2016 Sees Fruition of Many Years of Effort**

#### **Our Role in an Unstable World**

2015 was a year in which international cooperation reached a peak, as shown, for example, by the adoption of the Sustainable Development Goals (SDGs) by the United Nations Sustainable Development Summit in September and the Paris Agreement at the 21st Session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP21) in December. In 2016, there were moves in the opposite direction to international cooperation, such as the decision of the British people to leave the European Union and the inauguration of a new administration in the United States, as a result of which the world has become

somewhat unstable. While there are quite a few countries tending toward this "our nation first" approach, many people also realize that the stability and prosperity of the global society cannot be maintained in this way. In this situation, I believe that Japan now has an even bigger role to play in maintaining the system of international cooperation that has served as the foundation for the peace and stability that have continued after World War II. Indeed, expectations to JICA can often be heard from the international community.

Two impressive events in fiscal 2016 that symbolize this trend were the holding of the Sixth Tokyo International Conference on African Development (TICAD VI) in Nairobi, Kenya, and the



JICA President Kitaoka serves as the moderator of a UHC event at TICAD VI.



JICA President Kitaoka visits a school in Papua New Guinea where a JOCV is dispatched.

presentation of the Ramon Magsaysay Award to the Japan Overseas Cooperation Volunteers.

#### **African Countries Show Ownership**

The first five meetings of TICAD were held in Japan, but the sixth meeting took place in Africa for the first time. African countries fully took the initiative at the meeting, which ended successfully. I think this success is the fruitful result of JICA's traditional approach, by which we have forged partnerships with partner countries while respecting their ownership. JICA was involved even more actively than before, cooperating with the Japanese government in the drafting of the Nairobi Declaration, staging various side events, and holding meetings with participating countries and international organizations. During the meeting, JICA hosted or cohosted 26 side events, including an event on universal health coverage (UHC)\* that was attended by many heads of governments and international organizations and contributed to compilation of the "UHC in Africa" policy framework. I believe that this effort was possible precisely because JICA has continued to address issues in the field of public health systems for many years, including measures against infectious diseases and mother-child health. Another notable achievement was the launch of the Initiative for Food and Nutrition Security in Africa (IFNA).

Above all, I think the meeting was a success thanks to the initiative taken by the African countries with a sense of ownership. Many African leaders are thinking seriously about what strategies are necessary for the development of their countries, gaining an understanding of specific policies, and at the same time lending an ear to advice from other nations. I myself was able to meet such excellent leaders.

#### **JOCVs Foster Trust in the Japanese People**

In August 2016 the Japan Overseas Cooperation Volunteers

received the prestigious Ramon Magsaysay Award, which is considered to be Asia's equivalent of the Nobel Peace Prize. This award is granted to individuals and organizations that have achieved excellent results in social contributions in the Asian region. I am very grateful that we have received recognition. A year earlier the JOCVs had marked the 50th anniversary of the program. Initially many of the countries to which the JOCVs were dispatched were nations that had suffered damage at the hands of Japan during World War II. At a time when postwar Japan faced a harsh international environment, the JOCVs showed respect for the local cultures and customs in the countries concerned, overcame difficulties together with the local people, and shared joy with them. Their contribution to solving issues in the countries to which they were dispatched played a major role in enabling the Japanese people to gain trust in the international community.

JICA will continue striving to ensure the safety of volunteers, increase the number of applicants, and improve quality.

#### **Utmost Efforts to Ensure Safety**

We are extremely saddened by the fact that seven consultants engaged in survey work for JICA died, and one was injured, in the terrorist attack that occurred in Dhaka, Bangladesh, in July 2016. In addition, in the same month the public security situation in South Sudan deteriorated, and JICA-related personnel were forced to leave that country.

In response to these incidents, the Japanese government and JICA set up the Council on Safety Measures for International Cooperation Projects under the Minister for Foreign Affairs and formulated new safety measures. Based on the council's final report, JICA is making efforts to strengthen the collection and analysis of information on threats, strengthen the sharing of information, encourage personnel to strictly obey a stipulated scope

<sup>\*</sup> The aim of UHC is that all people can receive basic services relating to health promotion, prevention medical treatment, and recovery whenever necessary and at reasonable cost throughout their lives



People on Mindanao are working on the pesticide-free cultivation of vegetables. As well as offering assistance in accordance with the needs of the local people, JICA helped set up the provision of administrative services in the Mindanao region. (Photo by Masataka Otsuka)



Ichigo Holdings Co., Ltd., based in Miyagi Prefecture, Japan, introduced small mobile water treatment systems in Micronesia with the aim of purifying seawater and supplying safe drinking water.

of activity during their stay overseas, provide safety information through emergency contact networks, strengthen protective measures and training, establish a manual for response after a crisis has occurred, and enhance our support setup including mental care. As there are no miracle remedies, we will continue our steady and devoted efforts.

#### **Transition to New Medium-term Plan**

#### From 3rd to 4th Medium-term Plan

Fiscal 2016 was the final business year of JICA's 3rd Mediumterm Plan, which covered five years from fiscal 2012. In the 4th Medium-term Plan, which started in April 2017 and covers the period up to March 2022, in addition to the important issues stipulated in Japan's Development Cooperation Charter of "quality growth and poverty eradication through such growth," "sharing universal values and realizing a peaceful and secure society," and "building a sustainable and resilient international community through efforts to address global challenges," we have identified the four priority areas of "strengthening the human capacity of individuals who will be key players in their countries' development," "fortifying partnerships between actors in Japan who are involved in, and contributing to, development cooperation and regional vitalization," "contributing to international commitments and serving as a leader in the international community," and "strengthening security measures."

#### **Quality Infrastructure Investment**

I think that during the period of the 3rd Medium-term Plan we managed to achieve a certain level of results in such areas as natural disaster and emergency relief, poverty eradication, sustainable economic growth, global issues, and peacebuilding. Among them, in terms of concrete figures, the best results were seen in quality infrastructure investment. The volume of ODA

Loans, which had previously hovered around ¥1 trillion (fiscal year commitment amount), rose to the levels of ¥1.5 trillion and ¥2 trillion during the period of the 3rd Medium-term Plan, and they contributed to the realization of quality growth in developing countries in terms of inclusiveness, resilience, and sustainability as proclaimed in the Development Cooperation Charter. As part of this effort, toward the realization of a "Partnership for Quality Infrastructure," we have established a dollar-denominated loan system and are increasing co-financing with such international institutions as the Asian Development Bank (ADB) and Inter-American Development Bank (IDB).

In quality infrastructure investment, the following four points are essential in order of importance: first, playing a significant role in the partner country's development; second, playing a role in strengthening relations between Japan and the partner country; third, being beneficial for the Japanese economy and private sector; and fourth, not placing an excessive financial burden on JICA. In order to maintain and further enhance the trust that Japan has built up over many years, it is important to contribute to the strengthening of bilateral relations through the partner country's development.

#### **Peacebuilding by Displaying Japan's Uniqueness**

Regarding peacebuilding, in South Sudan, for example, in addition to conventional support for such infrastructure as roads, bridges, and ports, in 2016 JICA conducted a unique experiment by



In Ghana, utilizing the results of assistance for the strengthening of regional health functions, JICA set about improving health services for pregnant women and newborn babies. (Photo by Takeshi Kuno)



This Afghan student, who is studying at graduate school in Japan, came to Japan under JICA's Project for the Promotion and Enhancement of the Afghan Capacity for Effective Development (PEACE).

holding a national sports event for ethnic reconciliation. Showing the genuine desire of the South Sudanese people for peace and unity, over 20,000 spectators showed up, far more than expected. In the light of that event, it is indeed a pity that the security situation in South Sudan deteriorated last year and JICA-related personnel had to leave the country.

There are several stages in peacebuilding. Japan is not necessarily very good at bringing armed conflicts to an end. But after a ceasefire has been reached, the way is opened for Japan to contribute. For example, in Mindanao, the Philippines, the Philippine government and the Moro Islamic Liberation Front signed a comprehensive peace agreement in 2014. JICA has continued to support the peace process there by providing venues for discussions between the related parties and other measures and has supported districts in Mindanao impacted by the conflict, for example through the training of human resources to guide post-peace development and community development. It is hoped that the results of JICA's efforts will manifest themselves and continue in the medium and long term.

In addition, regarding the refugee problem, as evacuation periods become longer, JICA is implementing such assistance as support for countries that accept refugees and encouraging refugees themselves to learn job skills so that they can work. In November 2016 JICA also launched the Japanese Initiative for the Future of Syrian Refugees (JISR), in which JICA receives refugees from Syria as international students. In such ways, JICA is adopting a uniquely Japanese approach to peacebuilding.

### **Nationwide Collaboration with Japanese Private Companies**

Speaking of collaboration with various actors, JICA has managed significantly advanced collaboration with Japan's nonmetropolitan regions. By fiscal 2016 companies in all of Japan's prefectures, without exception, were participating in

the program to support the overseas business development of small and medium-sized enterprises. SMEs account for more than 99% of Japanese companies and have many innovative human resources. If such talent can be taken overseas, it would delight local people overseas and also lead to regional revitalization in Japan. JICA can contribute in this endeavor. Collaboration with local companies creates a win-win-win situation.

#### **Universal Health Coverage (UHC)**

#### -Comprehensive efforts to promote the health of everyone

One of the efforts in the 4th Medium-term Plan that we want to especially focus on is UHC. In May 2017 JICA signed a memorandum of understanding with the Asian Development Bank aimed at strengthening collaboration in the promotion of health security and UHC in the Asia-Pacific region.

The use of the Maternal and Child Health Handbook from pregnancy and childbirth to infancy is an effective means of promoting health. After that, it is necessary to ingrain healthy habits, such as washing your hands when you return home from outdoors. Also, people need to consume nutritious food, so good agriculture must be established for this purpose. And they should get adequate exercise. Actually, all of these activities are JICA's forte. Hopefully we can combine those different types of activities for health promotion and development in developing countries.

#### **Promoting Development Studies in Japan**

Through the acceptance of foreign students, JICA is also actively engaged in the fostering of human resources capable of guiding the development of developing countries.

At the end of the Edo period (1603–1868), compared with Western levels, Japan was a developing country. During and after the Meiji period (1868–1912), while maintaining its traditions, Japan achieved development and built a free, equal, affluent, and

long-living nation. As a country where traditions and modernity coexist, I think Japan is a good model for developing countries. In ODA as well, with Japan's support, countries in Southeast Asia and Northeast Asia have achieved significant development. In this sense, Japan's development assistance can probably be described as one of the best models. With those backgrounds, I believe that Japan could well serve as an ideal place for development studies. I would like to lump the experience and research works by Japan and JICA together as study material so that Japan becomes a center of development studies in the world. We could then invite young government officials and others from developing countries to study Japanese-style development studies and, after their return, utilize what they have learned for the development of their own countries. In cooperation with universities with which we have a track record of achievements so far, we are in the process of preparing the JICA-University Alliance for Development Studies for this purpose.

Of course, we will also engage even more actively than before in the development of engineers and other industrial human resources. Also, in Viet Nam we are helping with the retraining of persons in high positions, including potential government leaders. In this way, JICA's human resource development program is diverse, and we will make full and strategic use of it.

#### SDGs as an Opportunity for Wide Participation of Actors

Although the SDGs are international objectives, they also include many of the issues that Japan and JICA have been tackling so far, such as the concept of human security and the mainstreaming of disaster risk reduction. By sharing the SDGs, I would like to see various actors in Japan participate more actively in JICA's projects. Recently the SDGs have been taken up a lot by the media, so in this sense, now we have a good chance to encourage such participation.

#### **Leading the World with Trust**

#### What Is the Uniqueness of Japan and JICA?

In July 2017 JICA announced a new vision of "Leading the World with Trust." Nine years had passed since the declaration of our previous vision, "Inclusive and Dynamic Development." During that period, the government approved a new Development Cooperation Charter in 2015, and the world situation became more volatile, so we decided that it was time for a change. Thinking about a new vision, I once again looked at the Development Cooperation Charter, and I realized that JICA should place the spotlight on human security and quality growth. These concepts were therefore stipulated as our mission. Quality growth means growth aiming for "inclusiveness," by which nobody gets left behind; "sustainability," which aims for sustainable economic, social, and environmental development taking account of the limits of the Earth; and "resilience" to cope with natural disasters, conflicts, and economic crises.

The key word of the vision is "trust." Compared with other donor countries, Japan's ODA is certainly not very large in terms of percapita value. Relatively speaking, however, it is highly regarded in the international community. The reason, I think, lies in Japan's approach. Japan always views the recipient country as an equal partner, without adopting a condescending or obstructive attitude, and, standing in the other side's shoes, respects the partner's ownership. Even in areas in which Japan has abundant experience, such as recovery from disaster, Japan sincerely states, "Japan has encountered various disasters, and we have not always been successful in recovery. We have made many mistakes. But we want to share those mistakes and lessons with you." I think it is this approach that elicits trust. When we thought about what comprises Japan's and JICA's uniqueness, we realized that these



relations of trust are most important, so "trust" became the key word of our vision.

Aspiring for a free, peaceful, and prosperous world where people can hope for a better future and explore their diverse potential, JICA wants to joint hands with partners and lead the world with trust.



## Framework and Goals of Development Cooperation

### The 4th Medium-term Plan

(Business year 2017-2021)

Clarification of operational focus areas and approach

In the 4th Medium-term Plan, which began in business year 2017, JICA has formulated plans based on the Development Cooperation Charter, concerning development issues such as infrastructure and economic growth, human resource development, peacebuilding, and global issues, along with regional priority issues as well as partnerships with various actors and contributions to international discussions. JICA also sets out detailed measures for strengthening its organizational and operational foundations, security, and internal controls in the Plan.

Through efforts to achieve these plans, JICA will continue to play its expected role both within and outside Japan.

#### **Outline of the 4th Medium-term Plan**

#### Address development issues and global issues and contribute to national interests in Japan through development cooperation

Realize peace, security, and prosperity as well as an international environment with high stability, transparency, and predictability Contribute to enhancing the international community's confidence in Japan, strengthening the relationship between developing areas and Japan, and formulating the order and the norms of the international community

Contribute to the vitalization of the economy and society in Japan through strengthening the relationship between developing areas and Japan

#### **Operational Focus Areas**

- (1) Strengthen the human capacity of individuals who will be key players in their countries' development
- (2) Fortify partnerships between actors in Japan who are involved in, and contributing to, development cooperation and regional vitalization
- (3) Contribute to international commitments and serve as a leader in the international community
- (4) Strengthen security measures

#### **Prioritized Approaches**

- (1) Promote development cooperation that builds a mutually trusted relationship by emphasizing country ownership and partnership
- (2) Promote human-centered approaches based on the concept of human security
- (3) Strengthen strategic operations and enhance the quality of JICA's operations
- (4) Disseminate clear, uniform information

#### **Concrete initiatives**

#### Efforts to address priority issues

- (1) "Quality growth" and poverty eradication through such growth
- (2) Share universal values and realize a peaceful and secure society
- (3) Address global challenges

#### Strengthen Japanese partnerships

#### partnerships

#### Strengthen foundations for implementation

(Public relations, research, operations evaluations etc.)

#### **Regional priority issues**

#### Strengthen security measures

## Other important operational management issues

(The promotion of effective, efficient development cooperation; Proactive contribution in international discussions and strengthening partnerships with international organizations, bilateral donors and others; and Strengthen internal controls)

#### Important policies and initiatives of the Japanese government

Development Cooperation Charter Related policies Government commitments

#### International framework surrounding development cooperation

Sustainable Development Goals (SDGs)
Paris Agreement (climate change)

At a time when Japan and the international community are changing considerably, the role required of JICA is constantly changing as well. In accordance with the law, JICA conducts its operations based on medium-term plans stipulating five-year cycles. The 4th Medium-term Plan (Business year 2017–2021) began in fiscal 2017.

In the international community, "Transforming Our World: The 2030 Agenda for Sustainable Development" was agreed in September 2015, with the Sustainable Development Goals (SDGs) as global goals toward 2030 for realizing a sustainable society. In order to contribute to achieving the SDGs, JICA has formulated three pillars of its international cooperation.

### **Sustainable Development Goals: SDGs**

**Global Goals** toward 2030

Formulated as the successor to the Millennium Development Goals (MDGs) compiled in 2001, the SDGs aim to solve issues remaining from the MDGs and problems that had surfaced over the last 15 years, such as urbanization, climate change, and inequalities. The philosophy of the SDGs is shown in the slogan "No one will be left behind." For all people to enjoy the benefits of development, it is necessary to reach the furthest behind first.

In order to realize such a society, strengthening collaboration is required among various partners, including not only international agencies and national governments but also local governments, private companies, and civil society, among others.

#### Three pillars of JICA's cooperation toward achieving the SDGs

In order to contribute to the SDGs through international cooperation, JICA issued a position paper on the matter in September 2016. For details, see the following website: JICA's Position Paper on SDGs [ > https://www.jica.go.jp/aboutoda/sdgs/ku57pq00001qfok2-att/JICA\_torikumi\_e.pdf]

The SDGs aim to achieve a world in which no one will be left behind and to accelerate the realization of human security.

JICA has been working for realizing "human security" and "quality growth" in order to contribute to peace, stability, and prosperity of the international community. The SDGs accelerate and promote this Japan's cooperation philosophy so that JICA will proactively contribute to achieving the SDGs through its leadership.













JICA will play a key role in achieving 10 goals utilizing Japan's own experience.

JICA will contribute to all 17 goals comprehensively and play a key role in achieving 10 of them (Goals 2, 3, 4, 6, 7, 8, 9, 11, 13, and 15) making use of Japan's own experience in domestic socioeconomic development and JICA's experience in development cooperation.

JICA will strengthen partnerships.

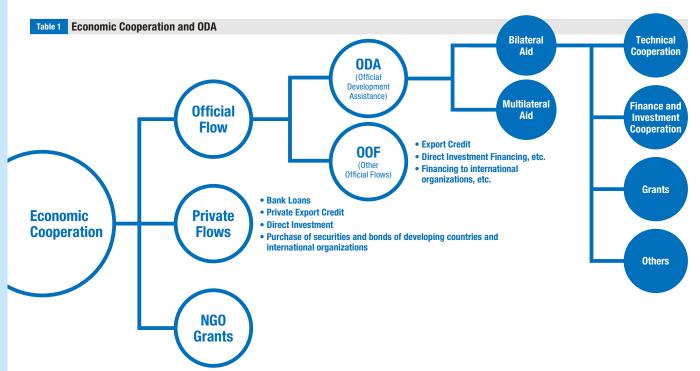
JICA will ensure the impact of cooperation on the SDGs by utilizing Japan's own knowledge, introducing innovations and collaborating with local and international partners in order to accelerate the achievement of the SDGs.

## Japan's ODA



Various organizations and groups, including governments, international organizations, nongovernmental 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).

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, Finance and Investment Cooperation, and Grants. In addition, other schemes of bilateral aid include the dispatch of volunteers.



Туре			Current Year	Previous Year	Change from the Previous Year (%)	Current Year	Previous Year	Change from the Previous Year (%)	ODA Total
ODA	Grant	Grants	2,828.59	2,626.83	7.7	307.759	317.852	-3.2	27.4
ODA ODA	8	Technical Cooperation*	2,765.33	2,372.14	16.6	300.876	287.034	4.8	26.8
		otal Grants	5,593.93	4,998.96	11.9	608.634	604.886	0.6	54.1
	Lo	oan Aid	1,422.17	1,116.83	27.3	154.736	135.139	14.5	13.8
Т	otal	Bilateral ODA (Net Disbursement Basis)	7,016.09	6,115.80	14.7	763.370	740.026	3.2	67.9
		ibutions and Subscriptions to International Organizations Disbursement Basis)	3,315.33	3,055.38	8.5	360.716	369.709	-2.4	32.0
Tota	I OD	A (Net Disbursement)	10,331.42	9,171.18	12.7	1,124.086	1,109.734	1.3	100.0

Dollar Basis (US\$ million)

4,553.33

0.20

Yen Basis (¥ billion)

550,963.30

0.20

0.7

554.864.50

0.20

12.0

Percent of Total

(Notes) 1. Figures include disbursements for graduate countries. Please see JICA Annual Report Data Book 2017, Table 1, P.5 for figures excluding disbursements for graduate countries

2. The following 18 countries/regions are graduate countries other than OECD member states that have received ODA: Bahamas, Bahrain, Barbados, Brunei, Croatia, [French Polynesia], [Hong Kong], Israel, Kuwait, [New Caledonia], Oman, Qatar, Romania, Saint Christopher and Nevis, Saudi Arabia, Singapore, Trinidad and Tobago, and United Arab Emirates.

5.099.73

0.20

- 3. 2016 DAC designated exchange rate: US\$1.00 = Y 108.8027 (a depreciation of Y12.1996 compared with 2015)
  4. Individual totals may not be equal to the sums of the individual parts because some numbers have been rounded off.

ODA Disbursements (Calendar Year 2016)

- 5. Debt relief includes waiver of ODA Loans and debt reductions of collateralized commercial obligations and sale receivables of rice, but excludes deferring of repayments
- 6. 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 "Grants" for these countries.
- 7. Starting with 2011 results, NGO project grants have been included in grants for individual countries

Preliminary Estimate of Nominal Gross National Income (GNI) (US\$ billion, ¥ billion)

Table 2 Japan's ODA by Type 2016 (Provisional Figure)

% of GNI

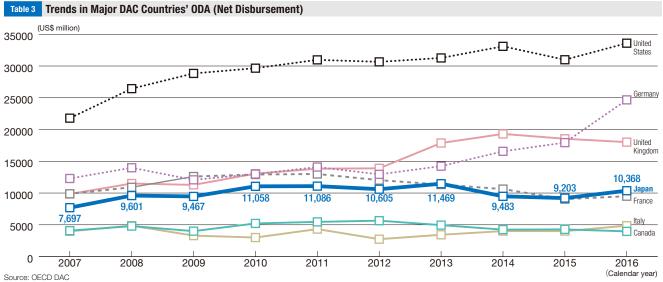
<sup>\*</sup> Technical Cooperation includes administrative and development education expenses.



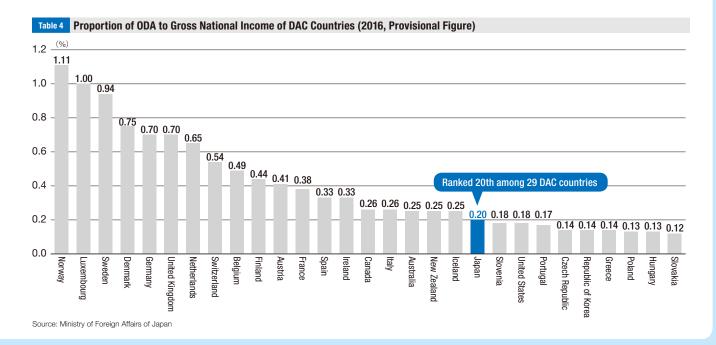
On a net disbursement basis, in 2016 Japan contributed approximately US\$7,016.09 million (approximately ¥763.4 billion) in bilateral ODA (including aid to graduate nations) and contributed and financed approximately US\$3,315.33 million (approximately ¥360.7 billion) to international organizations. Accordingly, total ODA contributions amounted to approximately US\$10,331.42 million, a 12.7% increase from the previous year (a year-on-year increase of 1.3% to ¥1,124.1 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, Germany and the United Kingdom.

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. While ODA volumes are rising in Western countries, Japan's contribution has remained stagnant since it dropped in 2001.

Japan's ODA was equivalent to 0.20% of its gross national income (GNI) in 2016, ranking it at the low level of 20th among the 29 DAC countries.



(Note) Figures exclude disbursements to graduate countries. Figures for 2016 are provisional. For details of Japan's ODA disbursements in 2016 please see JICA Annual Report Data Book 2017, Table 1, P5.





JICA, in charge of administering Japan's ODA, is the world's largest bilateral aid agency. JICA supports socioeconomic development in developing countries through a flexible combination of various types of assistance methods, such as Technical Cooperation, Finance and Investment Cooperation, and Grants. It operates in over 150 countries and regions of the world.

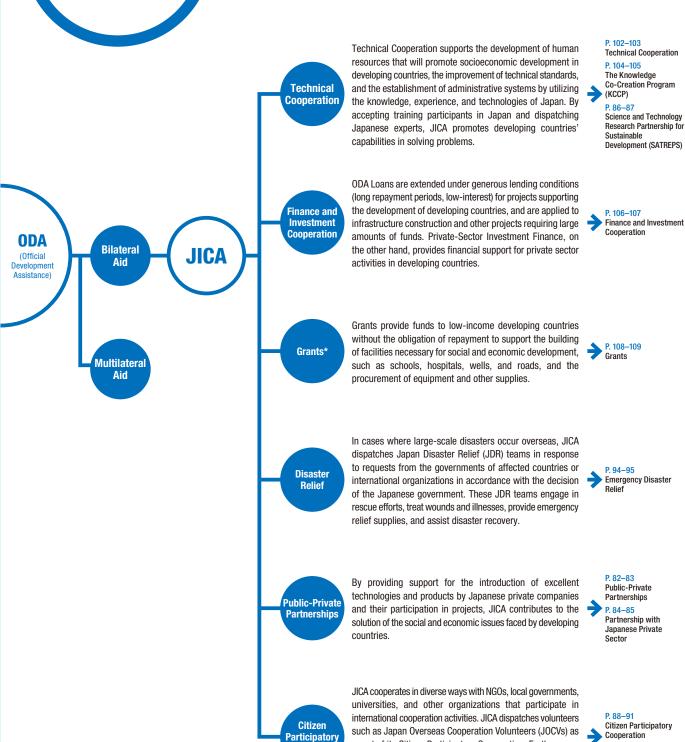
a part of its Citizen Participatory Cooperation. Furthermore,

JICA supports development education, which is designed to

deepen understanding of the challenges facing developing countries, chiefly in the field of school education.

P. 92-93

Volunteer Programs



Cooperation

\*Excluding Grants that the Ministry of Foreign Affairs provides considering diplomatic necessity.

## **Program Goals and Overview**



Based on the Development Cooperation Charter and the 4th Medium-term Plan, and with the aim of contributing to ensuring the peace, stability, and prosperity of the international community, JICA will focus on the following priority issues with a view to putting human security into practice and achieving the SDGs:



Project of Capacity Development for National Single Window and Customs Modernization by Introducing Automated Cargo Clearance System in Myanmar (Photo by Shinichi Kuno)

Strengthening the human capacity of individuals who will be key players in their countries' development

In order to develop human resources who can spearhead the solution of increasingly diverse and complex development issues, JICA will strengthen its provision of advanced human capacity development programs utilizing its overseas study scheme. In particular, JICA will utilize and share Japan's experience in modernization and strengthen networks with former training participants.

Promoting "quality growth"

JICA will offer assistance in a range of fields for "quality growth" that is inclusive, sustainable, and resilient. In addition, JICA will steadily implement follow-up measures for the "Partnership for Quality Infrastructure" announced by the Japanese government and make efforts to provide integrated assistance on both the hard and soft sides, such as enhancement of regional connectivity based on strategic master plans and institutional development to promote economic partnership.

Promotion of human-centered development

In order to promote human-centered development supporting people's basic needs, JICA will strengthen health systems aimed at universal health coverage (UHC) and boost its efforts relating to the Initiative for Food and Nutrition Security in Africa (IFNA). Furthermore, toward the Tokyo 2020 Olympic and Paralympic Games, JICA will make efforts to promote development through sports.

Contributing to peaceful and secure societies

For Japan's proactive contribution to peace based on the principle of international cooperation, JICA will strengthen support for peacebuilding and regional stabilization. In particular, JICA will strengthen comprehensive assistance to host countries of refugees, human resource development for refugees, and collaboration with international agencies and others.

Strengthening response to global challenges

JICA will commit itself to strengthening its organization-wide efforts in addressing global issues and incorporate this commitment in its assistance in individual partner countries. In particular, JICA will strengthen strategic efforts to counter climate change heedful of the Paris Agreement, the new international framework, and promote the formation and implementation of initiatives in such fields as energy, urban development, and forestry.

#### **Overview of JICA's Activities in Fiscal 2016**

Overview of **Operations** 

Looking at JICA's operations in fiscal 2016 (Table 5 and Table 6), Technical Cooperation implemented by JICA amounted to ¥207.7 billion, an increase of 8.3% from the previous fiscal year. Turning to Grants, JICA implemented 140 projects amounting to ¥98.0 billion (Grant Agreement amount). Of Finance and Investment Cooperation, ODA Loan was

provided through 51 projects amounting to ¥1,467.4 billion (commitment basis), while Private-Sector Investment Finance amount totaled ¥18.4 billion (commitment basis) and was provided to six organizations.

Overview of Trends for the Past 10 Years

Tables 7 to 9 show trends in the scale of JICA's programs for Technical Cooperation, Finance and Investment Cooperation, and Grants over the past 10 years.

In fiscal 2016 the Finance and Investment Cooperation commitment amount fell from the previous fiscal year by 34.3%, totaling ¥1,485.8

billion. Meanwhile, the scale of Grants decreased by 12.3% to a total amount of ¥98.0 billion in fiscal 2016.

#### Table 5 Scale of Operations in Fiscal 2016

Grants\*3 ¥98.0 billion

**Technical** Cooperation\*1 ¥207.7

Finance and Investment Cooperation\*2

¥1,485.8

Note) Exchange rate: US\$1.00 = ¥108.8 (the official Development Assistance Committee [DAC] rate in 2016)

- Technical Cooperation expenses excluding management expenses
- \*2 Total commitment amount of ODA Loans and Private-Sector Investment Finance
- $^{*3} \ \ \text{Amount of concluded Grant Agreements. However, for projects running over several fiscal}$ vears, the maximum amount allowed for each fiscal year is counted for that fiscal year,

#### Table 6 Operations by Type in Fiscal 2016

	FY2016	FY2015
Technical Cooperation *1	207.7	191.7
Acceptance of training participants	21.2	18.6
Dispatch of experts	64.5	64.1
Dispatch of study team members	60.2	47.5
Provision of equipment	3.7	4.4
Dispatch of Japan Overseas Cooperation Volunteers	8.7	8.9
Dispatch of other volunteers	3.3	3.5
Others	46.2	44.6
Finance and Investment Cooperation *2	1,485.8	2,260.9
Grants *3	98.0	111.7

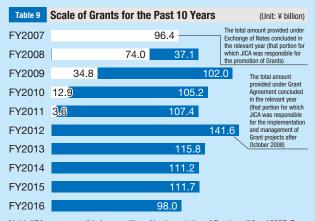
Note) Because the numbers for each program are rounded to the nearest whole number, the figures do not always match the total numbers.

- \*1 Technical Cooperation expenses excluding management expenses. \*2 Total commitment amounts of ODA Loans 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.

Table 7	Technical Cooperation Expenses for the Past 10 Years	(Uni	t: ¥ billion)
FY2007	146.1		
FY2008	150.8		
FY2009	176	3.0	
FY2010	168.8	3	
FY2011		188.	9
FY2012	167.8	;	
FY2013	17	7.3	
FY2014	170	3.4	
FY2015		191	.7
FY2016			207.7

Table 8	Finance and Investment Co Amounts for the Past 10 Year	
FY2007	901.2	
FY2008	929.4	
FY2009	967.6	
FY2010	538.9	
FY2011	949.4	
FY2012	1	,226.7
FY2013	985.8	
FY2014	1,015.9	9
FY2015		2,260.9
FY2016		1,485.8

Note) Total amounts of ODA Loans and Private-Sector Investment Finance.



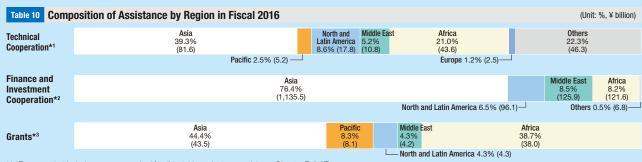
Note) JICA was responsible for expedition of implementation of Grants until fiscal 2007. From October 2008, JICA has also been performing project management of a portion of Grants.

Assistance by Region Looking at disbursements of Technical Cooperation by geographic region, Asia accounted for 39.3%, Africa 21.0% and North and Latin America 8.6%, in descending order.

Looking at newly committed amounts for Finance and Investment Cooperation by region in fiscal 2016, Asia accounted for 76.4%, Middle East 8.5% and Africa 8.2%. Continuing from fiscal 2015, Asia's share has been considerably high.

On the other hand, as for Grants, Asia accounted for 44.4%, Africa 38.7% and the Pacific 8.3%. As in fiscal 2015, Asia and Africa accounted for a large proportion of Grants.

"Others" include disbursements for and commitment amounts with international organizations and worldwide projects across countries and regions.



- \*1 Expenses that include expenses required for dispatching volunteers and Japan Disaster Relief Team.
- \*2 Total commitment amounts of ODA Loans 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.

Assistance by Sector Disbursements of Technical Cooperation by sector were, in descending order, 23.1% for public works and utilities, 11.8% for human resources, 11.5% for agriculture, forestry and fisheries, and 9.8% for planning and administration.

For Finance and Investment Cooperation, the largest portion is 55.3% for projects in the transportation sector, including

railways and roads. This was followed by electric power and gas at 15.0% and 13.9% for social services.

For Grants, the largest share was made to public works and utilities at 53.9%, followed by health and medical care at 16.3% and human resources at 11.1%.

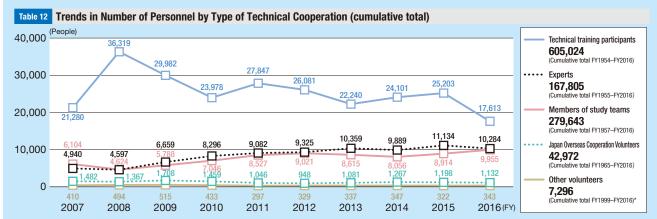
#### Table 11 Composition of Assistance by Sector in Fiscal 2016 (Unit: %, ¥ billion) Public works and utilities Agriculture, forestry and fisheries 11.5% (23.9) Others **Technical** 28.7% 23.1% (48.0) Cooperation\*1 11.8% (24.6) 5.5% (11.5) Mining and industry 1.7% (3.4)-Social welfare 1.1% (2.3) -Business and tourism 2.8% (5.8) Irrigation and flood control 5.2% (77.9) -Mining and manufacturing 0.4% (5.5) Social services 13.9% (206.5) Finance and Electric power and gas Transportation Commodity Investment 55.3% (821.7) loans, etc Cooperation\*2 6.9% (102.6) Agriculture, forestry and fisheries 3.1% (46.2) Others 0.2% (3.4) -Planning and administration 1.0% (1.0) Public works and utilities Agriculture, forestry and fisheries Health and medical care Grants\*3 11.1% (10.8) 9.1% (8.9) Business and tourism 0.1% (0.1)

- \*1 Expenses that include expenses required for dispatching volunteers and Japan Disaster Relief Team.
- \*2 Total commitment amounts of ODA Loans 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.

Trends in Number of Personnel by Type of Technical Cooperation The number of newly dispatched personnel by type of JICA program in fiscal 2016 was as follows. The number of technical training participants was 17,613, while JICA dispatched 10,284 experts, 9,955 study team members, 1,132 Japan Overseas Cooperation Volunteers and 343 other volunteers. As a result, to date JICA has accepted a total of 605,024 technical training participants (FY1954–FY2016) and dispatched a

total of 167,805 experts (FY1955–FY2016), 279,643 study team members (FY1957–FY2016), 42,972 Japan Overseas Cooperation Volunteers (FY1965–FY2016), and 7,296 Other Volunteers (FY1999–FY2016).

Trends in the number of personnel by type of cooperation since fiscal 2007 are shown in Table 12.



<sup>\*</sup> Includes Senior Volunteers, Senior Volunteers for Japanese Communities Overseas, Youth Volunteers for Japanese Communities Overseas and UN Volunteers. Until 1998, these figures had been included in other types of cooperation.

Note) The dispatch of emigrants ended in FY1995. The cumulative total from fiscal years 1952 to 1995 was 73,437.

#### **Overview of Financial Statements**

General Account

#### 1. Overview of Balance Sheet

For the business year ended March 31, 2017, total assets amounted to ¥254,956 million, increasing ¥2,943 million from the previous business year, primarily due to the ¥14,000 million increase in securities. Total liabilities were ¥168,652 million, decreasing ¥31,219 million year-on-year, primarily due to the ¥46,637 million decrease in operational grant liabilities.

(Unit: Millions of ve

(Unit: Millions of			: ivillions of yen)
Assets	Amount	Liabilities	Amount
Current assets		Current liabilities	
Cash and deposits	86,547	Funds for grant aid	145,895
Securities	98,000	Others	18,240
Others	26,307	Non-current liabilities	
Non-current assets		Contra accounts for assets	4,053
Tangible assets	41,443	Others	464
Intangible assets	604	Total liabilities	168,652
Investments and other assets	2,054	Net assets	
		Capital	
		Government investment	62,452
		Capital surplus	(19,057)
		Retained earnings	42,909
		Total net assets	86,304
Total assets	254,956	Total of liabilities and net assets	254,956

#### 2. Overview of Statement of Income

For the business year ended March 31, 2017, ordinary expenses amounted to \$246,946 million, increasing \$327 million from the previous business year. The major factor of the increase was the \$7,248 million year-on-year increase in expenses for technical cooperation projects. Ordinary revenues totaled \$258,918 million, increasing \$10,666 million year-on-year. The major factor of the increase was the \$22,963 million increase in revenues from operational grants.

(Unit: Millions of yen

	(Unit: Millions of yen)
	Amount
Ordinary expenses	246,946
Operating expenses	237,401
Expenses for technical cooperation projects	80,681
Expenses for public participation-based cooperation	15,776
Expenses for assistance promotion	22,118
Expenses for operation support	28,996
Expenses for grant aid	79,246
Others	10,584
General administrative expenses	9,451
Financial expenses	90
Others	2
Ordinary revenues	258,918
Revenues from operational grants	175,834
Revenues from grant aid	79,246
Others	3,838
Extraordinary losses	45
Extraordinary income	24,190
Settlement revenues from operational grants	24,128
Others	62
Reversal of reserve fund carried over from the previous Mid-term Objective period	501
Total income for the current business year	36,619

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

See JICA Annual Report Data Book 2017 for detailed financial conditions.

Finance and Investment Account

#### 1. Overview of Balance Sheet

For the business year ended March 31, 2017, total assets amounted to ¥11,864,147 million, increasing ¥285,842 million from the previous business year, primarily due to the ¥159,889 million increase in loans. Total liabilities were ¥2,381,801 million, increasing ¥70,586 million year-on-year, primarily due to the ¥113,291 million increase in bonds.

(Unit: Millions of yen)

Assets	Amount	Liabilities	Amount
Current assets		Current liabilities	
Loans	11,661,980	Current portion of borrow-	
Allowance for loan losses	(165,531)	ings from government fund for Fiscal Investment and	188,060
Others	282,319	Loan Program	
Non-current assets		Others	44,366
Tangible assets	8,607	Non-current liabilities	
Intangible assets	647	Bonds	590,596
Investments and other assets		Borrowings from govern- ment fund for Fiscal Invest-	1,552,259
Claims probable in bank-	07.000	ment and Loan Program	1,332,239
ruptcy, claims probable in rehabilitation and other	87,063	Others	6,520
Allowance for loan losses	(73,484)	Total liabilities	2,381,801
Others	62,546	Net assets	
		Capital	
		Government investment	7,992,228
		Retained earnings	
		Reserve fund	1,472,558
		Others	74,363
		Valuation and translation adjustments	(56,803)
		Total net assets	9,482,347
Total assets	11,864,147	Total of liabilities and net assets	11,864,147

#### 2. Overview of Statement of Income

For the business year ended March 31, 2017, total income amounted to  $\pm 74,363$  million, decreasing  $\pm 28,399$  million from the previous business year. This decrease resulted from ordinary revenues which decreased  $\pm 16,647$  million to  $\pm 173,483$  million and ordinary expenses which increased  $\pm 8,703$  million to  $\pm 99,105$  million. The major factor of decrease in ordinary revenues was the decrease in dividends on investments which decreased  $\pm 10,724$  million year-on-year, while the increase in ordinary expenses was primarily due to the increase in provision for allowance for loan losses, increasing  $\pm 11,163$  million from the previous business year.

(Unit: Millions of yen)

	Amount
Ordinary expenses	99,105
Expenses related to operations of cooperation through finance and investment	99,105
Interest on bonds and notes	6,116
Interest on borrowings	18,633
Interest on interest rate swaps	8,270
Operations consignment expenses	24,432
Operating and administrative expenses	12,605
Provision for allowance for loan losses	21,961
Others	7,088
Ordinary revenues	173,483
Revenues from operations of cooperation through finance and investment	172,676
Interest on loans	152,761
Dividends on investments	13,645
Others	6,270
Others	807
Extraordinary losses	21
Extraordinary income	6
Total income for the current business year	74,363

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

See JICA Annual Report Data Book 2017 for detailed financial conditions.



## **Activities and Initiatives by Region**

#### **Middle East and Europe**

For Stabilization through Humanitarian and Reconstruction Assistance and Dialogue

29 countries/regions targeted for assistance

Total value of JICA programs ¥132,746 million

→ P.50-53

#### East Asia and Central Asia

Toward Sustained Economic Development through Strengthening Regional Connectivity and Diversifying Industries

10 countries targeted for assistance

**Total value of JICA programs** 

¥76,923 million

→ P.32-35

#### **Africa**

Africa as a Partner to Share the Future

48 countries targeted for assistance

Total value of JICA programs ¥115,696 million

→ P.46-49

#### **South Asia**

Aiming for Economic Growth and Realization of Peaceful and Fair Societies Serving as the Center of the Indian Ocean-Rim Economic Region

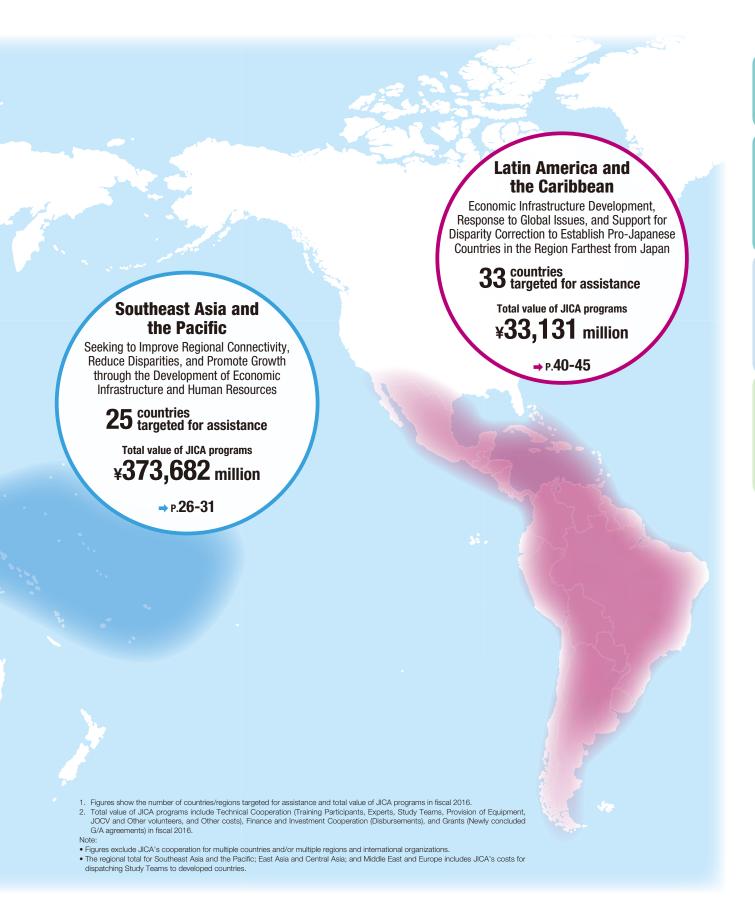
8 countries targeted for assistance

Total value of JICA programs

¥338,393 million

→ P.36-39

JICA operates in more than 150 countries and regions in response to Japan's assistance policy and the ever-changing international situation. JICA has six departments specializing in six world regions, shown below, to strategically and effectively deliver assistance tailored to address issues facing each country.



# Priority Issues and Activities

### **Southeast Asia and the Pacific**

Seeking to Improve Regional Connectivity, Reduce Disparities, and Promote Growth through the Development of Economic Infrastructure and Human Resources



Myanmar: The Opening Ceremony of the Thilawa Special Economic Zone (SEZ). JICA has been providing multiple form of support for the SEZ. This involves investment in one of the firms that operate the SEZ, the construction of peripheral infrastructure, and the development of related legislation, as well as administrative agency management and environmental and social considerations.

#### **Regional Issues**

- In Southeast Asia, the ASEAN Community was launched in December 2015. Even at this major milestone, the region remains in great need of infrastructure development. It is also seeing the emerging challenges associated with the maturing of society.
- For the Pacific island countries, the challenge is vulnerability to climate change and environmental issues.

#### **Fiscal 2016 Initiatives**

- As part of its assistance for strengthening physical, institutional, and people-to-people connectivity as called for by ASEAN, JICA worked on a wide range of areas, from the development of hard infrastructure, including the East-West Economic Corridor and the Southern Economic Corridor, to institutional development, including the digitalization of a customs clearance system.
- JICA also extended cooperation to address cross-border issues such as disaster risk reduction and climate change mitigation and adaptation.

#### **Future Cooperation**

- In order to help achieve the Sustainable Development Goals (SDGs), JICA is aiming at promoting "quality growth" through "quality infrastructure investment," support for women's empowerment and the development of human resources by means such as scholarship programs.
- JICA will focus on formulating and implementing programs and projects in line with the initiatives the Japanese government has announced, including the Partnership for Quality Infrastructure in ASEAN, the Industrial Human Resource Development Cooperation Initiative, and assistance pledges made at the Eighth Pacific Islands Leaders Meeting.

#### **Southeast Asia**

#### Promoting Regional Initiatives

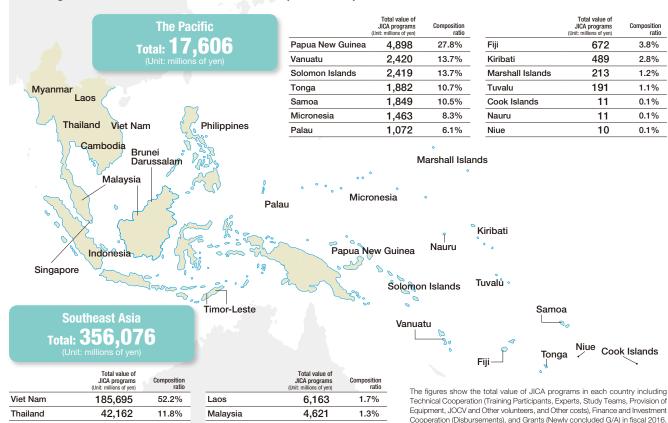
The Association of Southeast Asian Nations (ASEAN), an intergovernmental organization that comprises 10 of the 11 countries that make up Southeast Asia (Timor-Leste is the only non-member of ASEAN), continues its efforts to deepen regional integration even after the launch of the ASEAN Community in December, 2015. In order for ASEAN countries to develop and deepen integration, it will be necessary to strengthen connectivity within ASEAN member states, between ASEAN and Japan, and between ASEAN and the world, both in hard and soft aspects.

The original ASEAN member states (Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand) need to promote high-value-added industries and train human resources that support industrial development in order to sustain economic growth without being caught in the so-called "middle-income trap." The newer ASEAN member states (Cambodia, Laos, Myanmar, and Viet Nam) have also been undergoing the development of economic corridors in recent years. Those are the fruits of the ASEAN integration and enable them to unleash their growth potential. They will need to achieve high economic growth and thereby improve people's lives in order to further narrow the gaps with the original ASEAN member states.

JICA is participating actively in a joint public-private sector taskforce

<sup>1</sup> An economic situation in which a fast-growing developing country has reached a middle-income level and successfully reduced poverty, but has lost its international competitiveness in export manufacturing and its past growth momentum, due mainly to rising wages.

#### JICA Programs in Southeast Asia and the Pacific (Fiscal 2016)



1,953

30

2

0.5%

0.0%

0.0%

Note:

and international organizations

Teams to developed countries.

that comprises Japanese government ministries and private-sector organizations, established by the Japanese government in order to support the strengthening of ASEAN connectivity. Aligning itself with ASEAN's various policies on and plans for deepening connectivity from the formulation stage through dialogue with ASEAN, JICA is providing support for economic and social infrastructure development, investment climate and business environment improvement, and legal systems development. Furthermore, JICA is also supporting ASEAN in its efforts to strengthen connectivity among the member states by cooperating with the member states, particularly the newer ASEAN member states, in improving basic education, governance, health, agriculture, and water supply, with a view to narrowing the prevalent development gaps within and among the member states. JICA also promotes such cooperation in the forms of South-South cooperation and tripartite or triangular cooperation.

11.8%

8.7%

8.5%

3.4%

Timor-Leste

Brunei Darussalam

Singapore

41,992

30,871

30.368

12,219

Indonesia

Myanmar

Philippines

Cambodia

Toward Timor-Leste, JICA is cooperating in formulating a comprehensive urban master plan that covers multiple sectors, including transportation and water supply, needed for sustainable economic growth.

#### Encouraging "Quality Growth"

JICA promotes development of "quality infrastructure" that supports sustainable growth in Southeast Asia, based on Japan's initiative called "Partnership for Quality Infrastructure: Investment for Asia's Future" to meet the growing need of infrastructure development in ASEAN by building "quality infrastructure," which is

easy to use, durable, environmentally friendly, and disaster resilient, as well as cost-effective in the long run. "Quality infrastructure" also supports significantly improvement of people's lives through enhancing connectivity among ASEAN member states, creating jobs for local people, increasing local skills, and providing better access to social services.

• Figures exclude JICA's cooperation for multiple countries and/or multiple regions

The regional total of the Pacific includes JICA's costs for dispatching Study

This map lists only countries with program results in fiscal 2016.

JICA takes an inclusive approach to infrastructure development in which the process mobilizes a wide range of financial resources, including those from the private sector and development financial institutions, as well as strengthening partnerships with international organizations and private businesses. In addition, JICA considers life-cycle costs and implications for the environmental and social aspects in consideration of extending various types of assistance in human resources development, which include support for the development of industrial human resources, the empowerment of women, and the nurturing and networking of pro-Japanese individuals and groups. JICA also works to make the process of formulating each project prompt.

#### Realizing a Peaceful and Secure Society

JICA's bilateral assistance in this context focuses on strengthening governance and supporting the democratization process. This involves support for ethnic minorities in Myanmar and the prevention of human trafficking in Viet Nam. JICA also addresses regional issues, extending assistance in establishing legal and judicial frameworks and enhancing maritime security capabilities [ • see the Case Study on page 62].

#### **Country Overviews and Priority Issues**

#### Indonesia

Indonesia's real GDP picked up again in 2016, posting 5% growth after continued sluggish growth on the back of the slowing Chinese economy and low resource prices. The growth is expected to remain strong in the medium term through steady execution of government spending and promotion of economic policies. To ensure Indonesia's stable economic growth, it is necessary to improve the investment climate and narrow regional disparity by promoting infrastructure development that supports economic activities as well as human resources development with advanced knowledge and skills.

Case Study

Thailand: Mass Transit System Project in Bangkok (Purple Line) (I) (II)





#### Helping to Alleviate Traffic Congestion and Improve the Urban Environment with Japanese-style Urban Railways

In August 2016, the Purple Line, the first suburban railway in Bangkok, started operations. The elevated 23-kilometer line starts from Tao Poon in the capital, Bangkok, crosses the Chao Phraya River, and ends at Bang Yai in Nonthaburi Province, northwest of Bangkok. The line, with 16 stations, was constructed with Japanese ODA Loans.

The Blue Line, a subway that started service in 2004 with Japan's assistance, is now an important means of transportation for Bangkok's citizens. Scenes of many passengers waiting in line for trains on platforms during the morning and evening rush hours are part of daily life in the capital city. The use of both the Purple Line and the Blue Line makes it possible to travel by rail from the suburbs to the city center.

The rolling stock, railway system, and maintenance services of the Purple Line are provided by a consortium of Japanese firms that won the contract. The Purple Line represents the first case where Japan-made train cars were introduced to urban transportation in Bangkok and where a Japanese consortium, including a railway operator, participated in railway maintenance services overseas. It is expected that Japanese-style safe and comfortable services will take root in Thailand.

In addition to supporting the development of hard infrastructure, including the railway system, JICA provides support for the soft infrastructure as well—including revising the urban railway master plan for the Bangkok Metropolitan Area and formulating development plans for areas surrounding train stations. Japan will thus continue to contribute to mitigating traffic congestion and improving the urban environment in Bangkok.



Passengers getting on and off a train at a station along the Purple Line (photo credit: East Japan Railway Company, Toshiba Corporation, and Marubeni Corporation)

JICA is also supporting infrastructure development through using the knowledge and know-how of the private sector. Some examples are the country's first subway project in Jakarta, aimed at easing traffic congestion in the metropolitan area, and the development of geothermal power generation, in which Japan has great technological advantages.

In addition, JICA extends support for coastal protection and maintenance of irrigation facilities and equipment. As Indonesia frequently suffers from natural disasters, and based on Japan's experience with similar disaster-prone settings, JICA is also providing support for measures to reduce the risk of disasters as well as countermeasures for climate change issues by strengthening regional connectivity, promoting regional development, reducing regional disparity, and strengthening the social security system.

#### Philippines

In 2016, the Philippines economy continued its steady growth with GDP rising by 6.8%. Philippines does, however, face a number of challenges for sustainable development, including insufficient infrastructure investment, the threat of natural disasters, and the long-standing Mindanao peace process.

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) support for the peace process in the conflict-affected areas in Mindanao. In particular, JICA supports the development of transport infrastructure such as railways and roads in order to address traffic congestion, among other urban problems. As for assistance aimed at disaster risk reduction, JICA supports river improvement projects that will contribute to a better investment climate as well as assisting in efforts to make the country more resilient to natural hazards by establishing forecast and warning systems. In Mindanao, JICA continued its technical cooperation designed to support the peace process. It also encourages private-sector activities aimed at increasing employment opportunities through innovative financial mechanisms.

#### Thailand

With a GNI per capita of \$5,720 in 2015, 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, and environmental problems and climate change. In addition, there are several issues common throughout the ASEAN region, such as strengthening ASEAN connectivity and narrowing the development gap.

JICA focuses on three priority areas. The first area is sustainable development of the economy and coping with a maturing society. JICA continued its assistance for the development of a mass transit network in the Bangkok Metropolitan Area [→ see the Case Study at left], while also responding to the aging issue by supporting the establishment of a sustainable social security system. The second area is coping with common issues in ASEAN countries. JICA extends a wide range of assistance, supporting the development of human resources for addressing such issues as the tariff system and climate change [→ see Case Studies on pages 58 and 87]. The third priority area is promoting cooperation with countries outside the ASEAN region.

Behind this concept is the recognition that Thailand plays an increasingly important role as a springboard for extending assistance to other ASEAN countries and beyond. In this regard, JICA supports the acceptance of training participants from Africa and elsewhere.

#### Cambodia

Cambodia's economy has been achieving steady growth with real GDP rising by an annual average of about 7% since 2010, and per capita GNI reaching \$1,070 in 2015. However, Cambodia still faces a number of development challenges. Infrastructure, which is the fundamental requirement for industry and people's daily lives, remains inadequate, and although indicators for health and education are on an upward trend, many remain relatively low within ASEAN.

JICA assists Cambodia in its state-building process to overcome these challenges and achieve steady and sustainable economic growth and balanced development at the same time. To these ends, JICA focuses on three priority areas: (1) strengthening the economic base, (2) promotion of social development, and (3) strengthening of governance. In fiscal 2016, JICA specifically extended assistance aimed at the development of industrial human resources based on the Industrial Development Policy (IDP), which the Cambodian government formulated and publicly announced in 2015. In providing support to reinforce the Southern Economic Corridor extending from Ho Chi Minh City in Viet Nam to Bangkok in Thailand through the improvement of National Roads No. 1 and No. 5 as well as Sihanoukville Port, JICA is also contributing to strengthening connectivity within the Mekong region, and economic growth within Cambodia.

#### Laos

Laos has been making progress toward the goal of graduating from the least developed country status by 2020.

JICA builds its assistance to Laos on the Japan-Lao PDR Joint Development Cooperation Plan for the Sustainable Development of Lao PDR, which was agreed on in September 2016 between the Japanese and Laotian governments. Specifically, JICA aims to (1) "strengthen connectivity with countries in the region on the tangible and intangible fronts" through such means as improving inland distribution, developing airports, and increasing power availability; (2) "develop industrial human resources in order to diversify Lao PDR's industries and enhance their competitiveness" through such means as strengthening basic education, enhancing higher education, developing vocational training, improving the investment environment, and promoting agriculture; and (3) "rectify disparity through balanced urban and regional development that takes environmental and cultural preservation into account" through such means as improving public transportation, developing waterworks, and raising the quality of health care.

JICA is also addressing cross-sectoral issues in Laos, including unexploded ordnance removal, legal system development, and fiscal stabilization. JICA and the Japanese government have recently begun to deliver assistance for fiscal stabilization, one of the issues considered urgent by the new administration of Laos, launched in 2016.

#### Myanmar

Following the inauguration of the NLD administration in March 2016, Myanmar stepped up efforts to support economic growth and



A JICA expert providing training on program production at Myanma Radio and Television (MRTV) in Myanmar. After military rule was replaced by a civilian government in 2011, MRTV was reformed into a public broadcaster, bearing the role to provide accurate, impartial and neutral information. JICA is supporting the reform of MRTV and capacity building of its personnel.

improve people's lives.

JICA helps the new administration with state-building based on the Japan-Myanmar Cooperation Program, announced when State Counsellor Aung San Suu Kyi visited Japan in November 2016, as well as on the Japanese government's economic cooperation policy for Myanmar, announced in 2012.

Seeking "balanced development between urban and rural areas," the Japan-Myanmar Cooperation Program focuses on nine sectors: rural infrastructure, job creation, transportation, industrial development, energy, urban development, finance, telecommunications, and health. JICA addresses not only hard infrastructure, including transport and power facilities, but also soft infrastructure, including institutions and technologies that support these and other facilities [ > see the Case Study on page 65].

In November 2016, the Japanese and Myanmarese governments signed the Exchange of Notes on an Agreement to Dispatch Japan Overseas Cooperation Volunteers to Myanmar. JICA is now making preparations for the first dispatch of JOCVs to Myanmar.

#### Viet Nam

Viet Nam has made remarkable economic development for the past three decades. In 2015, per capita GNI reached \$1,990, joining the ranks of middle-income countries. The poverty rate fell to 3% in 2014. Education and health indicators are now on par with those of advanced ASEAN economies. Yet, in order to sustain development after becoming a middle-income country, Viet Nam needs to further develop infrastructure, increase industrial competitiveness, address environmental problems and climate change, and streamline administrative functions, among other issues.

Aiming at achieving the goal of becoming a modern industrialized country, the Vietnamese government is putting priority on infrastructure development as well as economic and administrative reforms and human resources development. In this regard, JICA is extending cooperation with a focus on (1) promotion of economic growth and strengthening international competitiveness; (2) response to vulnerability, the negative impacts brought by economic development; and (3) good governance. Specifically, JICA is extending cooperation over a broad range of fields, including infrastructure development, reforms of state-owned enterprises and the banking sector, enhancement of higher education and vocational training, improvement of the urban environment, countermeasures against climate change, promotion of high-value-added agriculture,

improvement of health care, and improvement of the judiciary and administrative functions [ $\rightarrow$  see the Case Study below].

#### Timor-Leste

In Timor-Leste, which achieved independence in 2002, a transition from post-conflict reconstruction to development is ongoing. However, the reality is that the majority of national revenue depends on oil and natural gas. The urgent issues are to diversify industry and create job opportunities in order to reduce the overreliance on revenue from natural resources. One more urgent issue is to develop human resources that makes possible industrial diversification and growth in job creation.

Case Study

VIET Nam:
Efforts to Improve the Business Environment through
Support for E-Customs



#### Successfully Improving Customs Clearance Efficiency with Japan's Cutting-Edge IT Technology

Viet Nam has maintained a high economic growth rate of around 6% in recent years. Due to the increase in foreign direct investment, the number of cases of import and export was on the rise, making it urgently necessary to streamline import-export and customs procedures.

These circumstances prompted JICA to implement the Grant project, Project for E-Customs and National Single Window for Customs Modernization. This project took advantage of Japan's Nippon Automated Cargo and Port Consolidated System (NACCS) to develop a Vietnamese version of the customs IT system, called VNACCS. The installation of VNACCS in customs across the country was completed in June 2014. Now some 66,000 importers and exporters use VNACCS, with 99% of import-export declarations being handled with this IT system.

To support the introduction of VNACCS, JICA carried out the technical cooperation project, Project for Promoting E-Customs in Viet Nam, between 2012 and 2015. The project addressed such aspects as developing customs-related legislation, and training and institution building for the General Department of Vietnam Customs. Furthermore, JICA launched the technical cooperation project Strengthening the Effectiveness of Viet Nam Automated Cargo Clearance System (VNACCS) in 2015 to assist Viet Nam in making better use of VNACCS, as well as in operating and maintaining the system in a more stable manner.

All these efforts have shortened the average time required for customs clearance simple inspections for each case from 15 minutes to 1–3 seconds from 2010 to 2014, thus contributing to the improved business environment in Viet Nam and supporting Japanese firms that do business in the country.



Officers at Binh Duong Customs use VNACCS for clearance procedures. JICA sets (1) Establishing the Foundation for Promoting Economic Activities, (2) Agriculture and Rural Development, and (3) Capacity Development of Government and the Public Sector as cooperation programs. JICA supports establishing the foundation for promoting industry, reactivating the rural economy, and developing human resources and the capacity of the government in preparation for accession to ASEAN. JICA supports, in particular, improvement of transportation infrastructure such as roads, human resource development for high-level industry, technical cooperation, and policy recommendations for the promotion of the rural economy, and technical cooperation for capacity development of the government in the formulation and implementation of development plans.

#### Malaysia

Due to low natural resources prices, Malaysia's real GDP is slowing to around 4.2% for 2016. This did not, however, discourage Malaysia from continuing seeking balanced development that is aimed at attaining two goals—sustainable economic growth with increased labor productivity, and environmental conservation and support for the socially vulnerable—at the same time, with a view to achieve an advanced economy status by 2020, with a GNI per capita of \$15,000 or more.

Under such circumstances, JICA's cooperation to Malaysia focuses on three priority areas: (1) supporting balanced development toward Malaysia becoming a high-income nation and contributing to the mutually beneficial relations between Malaysia and Japan; (2) responses to common issues in the Southeast Asian region; and (3) Japan-Malaysia Development Partnership beyond the Southeast Asian 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 and development of human resources for industry; protection of socially vulnerable people including persons with disabilities; and cooperation for environmental conservation, including disaster risk reduction measures. JICA is also assisting Malaysia in providing South-South cooperation to other countries.

#### Singapore

Japan and Singapore work together to implement the Japan-Singapore Partnership Programme, which provides training mostly for ASEAN countries but also for developing countries in the Pacific, Africa, and the Middle East, among other regions. Experts from the two countries serve as instructors. From fiscal 1994 to fiscal 2016, the program offered some 370 courses in total, inviting about 6,600 participants from 95 countries. The courses in fiscal 2016 ranged in topic from the police box system (*koban*), which Singapore has developed with Japan's support, to productivity enhancement, streamlined customs procedures for ASEAN, maritime safety management, and disaster risk reduction.

#### The Pacific

JICA provides assistance to the 14 Pacific island countries. These countries have diverse languages and their own cultures and customs. While their development statuses are different, they

face common issues derived from the common challenges unique to island countries: they are small, isolated, and remote. JICA's development cooperation for the region is twofold: bilateral cooperation designed to overcome each country's priority issues, and regionwide cooperation designed to address common issues. JICA's development cooperation also takes advantage of the knowledge and experience of Okinawa, an island prefecture in Japan.

#### Environmental Management

Solid waste poses a serious problem to the small islands of the Pacific region. JICA works with the Secretariat of the Pacific Regional Environment Programme (SPREP) to support institution building for sustainable waste management at the regional and national levels.

In recent years, coastal ecosystems have been damaged by multiple factors, including the overexploitation of marine resources and coastal development. To address this problem, JICA assists the management of coastal resources in Vanuatu and the Solomon Islands. It also works with universities and research institutions in Japan to support the Palau International Coral Reef Center in building its capacities in research as well as operations and maintenance.

#### Disaster Risk Management and Climate Change

With many isolated islands, the Pacific island countries are prone and vulnerable to natural disasters such as cyclones, floods, earthquakes, and tsunamis. JICA's assistance includes a program designed to train meteorological personnel using the Fiji Meteorological Service as the regional hub, support for the establishment of the Pacific Climate Change Center in cooperation with SPREP, and training for working-level officials responsible for addressing climate change in the region. Through these activities, JICA is engaged in the establishment of an early disaster warning system at the regional level and the development of planning and implementing capacities for climate change strategies.

#### Transport Infrastructure Development

Transport infrastructure for carrying people and supplies constitutes a lifeline indeed for the Pacific island countries, whose territories cover a vast area of ocean. JICA's assistance in this sector involves the development of airports, roads, bridges, and harbors and the provision of passenger and cargo vessels through financial assistance to individual countries, as well as technical cooperation for the operation and maintenance of vessels and port facilities through the dispatch of regional advisors.

#### Stable Supply of Energy

The Pacific island countries, with limited natural energy resources, face the challenge of how to reduce their reliance on diesel power generation—which is subject to the fluctuations of international fuel prices—and secure the stable supply of renewable energy. JICA extends bilateral financial assistance and regional technical cooperation to promote the optimal introduction of renewable energy while stabilizing electric power systems and making efficient use of diesel power generation.

#### Social Services

In the past, JICA's assistance in health for the Pacific region

centered on the control of infectious diseases such as malaria. From fiscal 2015, however, it is shifting to technical cooperation that focuses on controlling non-communicable diseases (NCDs) and encouraging health promotion in the face of the disease structure tilting toward NCDs in recent years.

In the education sector, JICA has been working to increase access to education in remote areas and isolated islands. Grants and technical cooperation for the University of the South Pacific, which was established by 12 countries in the region, are designed to establish an information and communication technology (ICT) center and to train ICT staff.

14 Pacific Island Countries: Pacific Leaders' Educational Assistance for Development and States (Pacific-LEADS)







#### Contributing to Fostering Future Leaders by Offering Opportunities to Study and Participate in Internship Programs in Japan

At the Seventh Pacific Islands Leaders Meeting in May 2015, the leaders of Japan and Pacific island countries agreed to enhance cooperation with a central focus on seven areas. Japan announced the launch of a program designed to train pubic officers titled "Pacific Leaders' Educational Assistance for Development of State (Pacific-LEADS)."

This program provides young officers who will play a key role in creating the future of their countries with opportunities to study in master's courses and participate in internship programs at central or local governments in Japan. After the program, these officers will return their home countries and are expected to take advantage of the expertise they have acquired in Japan to resolve development challenges in their countries. They are also expected to contribute to deepening relations between their countries and Japan as pro-Japanese groups.

For a period of three years from 2016, JICA will accept approximately 100 participants from 14 countries. In August 2016, the first batch of 41 participants arrived in Japan from 10 countries: Papua New Guinea, Solomon Islands, Vanuatu, Fiji, Kiribati, Samoa, Tonga, Palau, Marshall Islands, and Micronesia. They are now studying in a total of 20 master's courses offered by 18 universities across Japan, from Hokkaido in the north to Okinawa in the south. More than 40 participants are scheduled to come to Japan in the second batch, as of May 2017.



Participants in a group training session

### **East Asia and Central Asia**

Toward Sustained Economic Development through Strengthening Regional Connectivity and Diversifying Industries



Mongolia: A JICA expert supervises a method to treat a horse as part of the effort to foster veterinarians to protect nomadism (Project for Strengthening the Capacity for Human Resource Development in the Field of Veterinary and Animal Husbandry)

#### **Regional Issues**

- Countries poor in natural resources have to address the issue of insufficient basic social services, while those rich in natural resources face the challenge of widening economic disparity and the economic vulnerability with the fluctuation of resource prices.
- As the region has many landlocked countries, improvement of regional and inter-regional connectivity is important.
- As many countries are undergoing transition to a market economy, development of human resources with a global perspective is required.

#### **Fiscal 2016 Initiatives**

- Upon the Mongolian parliament's resolution for a long-term development plan that covers up to the year 2030, with the aim to achieve the Sustainable Development Goals (SDGs), JICA invited Mongolian government officials to Japan and also conducted a study on development policies to assist promotion of the plan.
- In line with Prime Minister Shinzo Abe's visits to Mongolia and Central Asia in 2015, JICA progressed with initiatives to overcome cross-regional challenges such as development of industrial human resources and strengthening of connectivity, and provided assistance in accordance with the economic and social situations of each country.

#### **Future Cooperation**

- JICA will provide assistance focusing on strengthening governance, diversifying industries, developing infrastructure, and developing human resources
- In particular, JICA will promote assistance in initiatives that form a base for diversification of industrial activities, such as industrial human resources development. For strengthening governance, JICA supports development of human resources in the fields of finance, policy, and institution.
- JICA will support quality infrastructure development with consideration for regional and interregional connectivity and reduction of domestic disparities.

#### **East Asia**

#### China

To some extent ODA has already played a role in development aid for China; consequently, JICA's additional contribution through providing ODA Loans and Grants was ended.

Under these circumstances, 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 safety related issues. Furthermore, in terms of technical cooperation, a mechanism for both Japan and China to properly share costs is being implemented in a phased manner, as a new approach of Japan-China cooperation.

#### Mongolia

JICA is focusing on cooperation in accordance with the three priority areas stated in the Country Assistance Policy for Mongolia, 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 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) Assisting inclusive growth: Creating employment primarily

#### JICA Programs in East Asia and Central Asia (Fiscal 2016) The figures show the total value of JICA programs in Total value of JICA programs it: millions of yen) **Central Asia and the Caucasus** each country including Technical Cooperation (Training Composition Participants, Experts, Study Teams, Provision of Total: 52,696 (Unit: millions of yen) Uzbekistan 38.898 73.8% Equipment, JOCV and Other volunteers, and Other costs). Finance and Investment Cooperation (Disbursements), and Azerbaijan 5.055 9.6% Grants (Newly concluded G/A) in fiscal 2016. Tajikistan 3,349 6.4% • Figures exclude JICA's cooperation for multiple countries 2,948 Kyrgyz Republic 5.6% and/or multiple regions and international organizations. • The regional total of East Asia includes JICA's costs Georgia 1,803 3.4% for dispatching Study Teams to developed countries. • This map lists only countries with program results 466 0.9% Armenia Kazakhstan 155 0.3% in fiscal 2016. Turkmenistan 22 0.0% Kazakhstan Mongolia Georgia Uzbekistan Kyrgyz Republic Armenia urkmenistan Tajikistan Azerbaijar **East Asia** China Mongolia 22.224 91.7% China 2.000 8.3%

at micro, small and medium enterprises to diversify industrial activities, and improving basic social services, such as education, health care, and social security.

(3) Enhancement of the capacity and function of Ulaanbaatar as an urban center: Improving the city's infrastructure facilities, upgrading urban planning and management capabilities, and advancing environmental measures.

Furthermore, the Law on Development Policy Planning was established in Mongolia, while the Mongolia Sustainable Development Vision 2030, a long-term development plan up to the year 2030 in line with the Sustainable Development Goals (SDGs), was approved by the parliament in February 2016. The plan sets forth directions for development in each field from four viewpoints of (1) sustainable economic development, including development of industries such as agriculture and livestock breeding; (2) sustainable social development aiming at inclusive growth that benefits all people; (3) environmental sustainability; and (4) governance for sustainable development. The new government established in July 2016 has been formulating various policies to put the plan into practice.

In March 2017, Mongolia and Japan signed the Japan-Mongolia Mid-term Action Plan for a Strategic Partnership (2017–2021), and economic cooperation in various fields was agreed to further promote the reciprocal relationship. JICA, while working on steady enhancement of the outcomes of past

cooperation activities, is preparing for future strategies of medium and long-term cooperation based on the mid-term action plan between the two countries and the Mongolian government's direction of national development, while keeping an eye on initiatives to overcome evident challenges, including sound macroeconomic management, promotion of diversification of industries, environmental measures, and strengthening of regional development strategies [ >> see the Case Study on page 34].

#### **Central Asia and the Caucasus**

JICA is concentrating on regional cooperation and the promotion of democracy and market economies in Central Asia and the Caucasus. JICA's cooperation gives priority to improvement of economic infrastructure, such as electric power and transportation, and human resources development for the promotion of market economies.

#### Uzbekistan

Uzbekistan, after its independence from the former Soviet Union, promoted an incremental policy shift toward a market economy, allowing the country to enjoy stable and continuous economic growth. To make a transition from a mono economy and build an economic structure without heavily relying on exports of natural resources, such as natural gas, gold, and cotton, and

to achieve sustained economic growth, the country concentrates on vitalization of the private sector and diversification and advancement of domestic industries.

JICA's basic policy is to provide support for promoting economic growth and to narrow disparity. Under this policy, JICA is providing cooperation in the following priority fields: (1) improving and building economic infrastructure for the electricity and transportation sector, such as modernizing thermal-electric power stations [ → see the Case Study on page 35]; (2) supporting human resources development and system-building that contributes to the development of the private sector by nurturing human resources for businesses and other measures through

Mongolia: Data Collection Survey on the Investment Environment and Promotion





## JICA Published the 2017 Guidebook on the Business Climate in Mongolia

The first economic partnership agreement (EPA) for Mongolia came into force with Japan in June 2016, and expectations for inbound investment from Japan is increasing. In a country that has depended on exporting its mineral resources, the importance of private-sector development for changing its industrial structure is rising.



JICA, believing that expansion and investment by Japanese private corporations

in Mongolia will be a driving force for the country's private-sector development, conducted a survey, and as a part of the study that verified industrial trends and the directions of private-sector development, JICA has published a guidebook on the business climate. The guidebook puts together the results of interviews of more than one hundred Mongolian companies and organizations in the fields of agricultural and livestock product processing, tourism and related services, renewable energy, and others, and identifies the industries that Japanese companies have possibilities to participate in.

Nearly 150 participants from various business sectors attended the seminars held in Tokyo and Osaka that presented the achievement of the study, indicating strong interest in Mongolia. In future, using this guidebook as one of the tools, JICA will promote business exchanges between the two countries through the Mongolia-Japan Center for Human Resources Development.

\*You can find the guidebook on JICA's website



At the seminar held in Tokyo, many participants from various business sectors listened attentively to a report on the study.

the Uzbekistan-Japan Center for Human Development; and (3) improving agricultural infrastructure, which raises income levels in rural areas, and expanding and improving health care.

#### 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.

JICA's basic aid policy is to support the balanced socioeconomic development of the country. JICA selects and implements projects in the sectors where Japan's knowledge and technology can be utilized, including the promotion of small and medium enterprises (SMEs) and disaster risk management. Further, rapidly developing Kazakhstan is building a system to provide support to other countries and play the role of a donor country. JICA is supporting the capacity building of the personnel concerned in order to support the establishment of a national institute of ODA in Kazakhstan.

#### Tajikistan

Tajikistan neighbors Afghanistan with a lengthy border and is positioned at the geopolitically important juncture of Central Asia and Southwest Asia. However, it has fallen behind in economic development due to various background issues, including the civil war after independence and its lack of resources. The Tajikistani government is working on achieving economic and social stability, enacting structural reforms, and improving the living standard of its people, based on the National Development Strategy (NDS) that was revised in 2016.

JICA's basic policy is to contribute to Tajikistan's state building, which will lead to the sustainable socioeconomic development of the country. Priority areas for assistance include (1) improving rural development, including essential social services in Khatlon Province, bordering on Afghanistan; and (2) establishing transportation infrastructure at the crossroads of Central Asia and Southwest Asia.

#### Kyrqyz 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 basic policy of JICA's assistance is to contribute to sustainable and balanced economic growth that will support the establishment of democracy in the country. 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, support for promoting small businesses by the One Village One Product approach, support for promoting agriculture, and human resources development for the business sector through the Japan Center for Human Resources Development.

#### Turkmenistan

Turkmenistan's economy is supported by large reserves of natural gas, and the country has been strengthening ties with the United States, Europe, and its neighboring countries through export of gas in recent years. JICA's cooperation concentrates mainly on supporting the development of the economy and society through providing training in such fields as transportation, health care, agricultural development, and promotion of SMEs. The Technical Cooperation Agreement was signed between the governments of Japan and Turkmenistan in September 2013. Based on this agreement, the first technical cooperation project in Turkmenistan, which is to support earthquake monitoring, is scheduled to start in 2017.

#### 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. Measures on the recent decline in global oil prices is also need to be taken.

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 in fields such as health care, promotion of SMEs, and disaster risk management.

#### Armenia

From an early stage after its independence from the former Soviet Union, Armenia has pursued a market economy. In 1991 Armenia was the first of the CIS countries (the former Soviet Union countries besides the Baltic countries) to allow privatization of land. Furthermore, the country carried out reforms such as privatization of state enterprises, succeeded in joining the World Trade Organization in 2003, and is firmly progressing in implementation of its open trade system. Meanwhile, approximately 60% of GDP is concentrated in the capital city. Yerevan, resulting in a wide disparity between urban areas and provincial areas, and the poverty rates in rural areas is increasing. In addition, given the dilapidated infrastructure built during the Soviet era and Armenia being an earthquake-prone country where many active faults exist, the issues facing Armenia are infrastructure improvement and the strengthening of disaster prevention and reduction measures.

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.

## Georgia

Situated at the crossroads of Asia and Europe, Georgia puts priority on increasing its competitiveness as a logistics hub for the Caucasus by leveraging its geopolitical predominance. While the country is actively involved in attracting inward investment by promoting democratization and the market-oriented economic reforms of recent years, domestic development of its export industry is regarded as a challenge.

JICA puts focus on (1) building economic infrastructure that is a base to boost economic growth and (2) stabilization of people's livelihoods that contributes to stabilization of the society and provides assistance for improvement of the East-West Highway, a lifeline for the country's economy, as well as for training programs for local industry development through tourism and value added agriculture, and the creation of a more attractive business environment.

Case Stu

Uzbekistan: Comprehensive Cooperation in the Electric Power Sector







# For a Life without Power Outages: Support in both Tangible and Intangible Aspects

To support stable electric power supply in Uzbekistan, JICA is providing comprehensive assistance by combining multiple cooperation schemes.

In Uzbekistan, due to deterioration of old power plants built in the former Soviet Union era, instability of electric power supply and its impact on the environment are becoming serious issues. In response, JICA supports renewal of deteriorated gas thermal power plants and construction of new power plants in various parts of Uzbekistan through ODA Loan projects. Among them, the Talimarjan Thermal Power Station in the southern part of the country, which started its operation in fiscal 2016, is providing electricity not only domestically but also to neighboring countries, including Afghanistan.

In these power stations, new combined cycle power plants (CCPPs), which are capable of generating electricity at higher efficiency and lower cost, have been implemented. However, since human resources capable of operating and maintaining the latest power-generating facilities are lacking, through technical cooperation JICA supports creation of a training system at training centers for power-plant engineers. As a part of this effort, about 10 people from Uzbekistan, including engineers, participated in training in Japan in February 2017 to develop their understanding of the power generation industry and equipment in Japan, through their visits to power plants and equipment manufacturers in various areas over the course of about a month.



Talimarjan Thermal Power Station, a core thermal power station in Uzbekistan

# **South Asia**

Aiming for Economic Growth and Realization of Peaceful and Fair Societies Serving as the Center of the Indian Ocean-Rim Economic Region



Sri Lanka: Children from banana-producing farms at a school in a target area of the irrigation upgrading and extension project (photo by Mika Tanimoto)

## **Regional Issues**

- Although the South Asian economy has expanded remarkably in recent years, one in three of the world's impoverished people, living on less than \$1.90 a day, still lives in this region.
- Inclusive "quality growth" required for improving living standards, poverty alleviation, and minimizing the existing economic disparities are urgent issues.

## **Fiscal 2016 Initiatives**

- JICA promoted "quality infrastructure investment" and "partnership for quality infrastructure," such as a high-speed railway in India, through consensus-building among government's stakeholders.
- JICA also promoted realizing peaceful and secure societies through polio eradication in Pakistan and Afghanistan, comprehensive assistance to earthquake disaster reconstruction in Nepal, and measures against climate change.

#### **Future Cooperation**

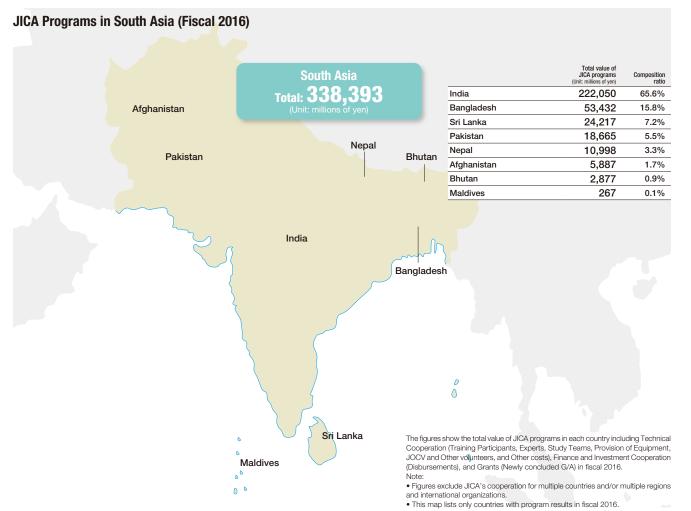
- JICA will promote "quality growth" and poverty reduction through enhancement of intra- and inter-regional connectivity, strengthening of industrial competitiveness, and improvement of the investment climate.
- For the realization of peaceful and fair societies, JICA will support strengthening governance, gender equality, human resources development, and helping vulnerable groups.
- JICA will promote cooperation to boost Universal Health Coverage (UHC)¹ and the Sendai Framework for Disaster Risk Reduction 2015–2030.

The South Asian region, where 1.7 billion people live in an area about the size of Europe, embraces a variety of religions, races, cultures, and languages. Located roughly in the center of the Indian Ocean-Rim Economic Region, this region has a great potential for growth, but at the same time contains income disparities and religious conflicts arising alongside development, instability caused by natural disasters, etc. Stability and growth of the South Asian region are essential to the stability and growth of the whole of Asia. Hence, JICA focuses on human security and extends cooperation to suit needs that are specific to each of these countries, while promoting cooperation to strengthen the connectivity in the Indian Ocean-Rim Economic Region.

JICA has set the following three priority areas for its aid programs in South Asia in order to achieve the Sustainable Development Goals (SDGs):

# (1) Promoting "quality growth" and poverty reduction

Poverty reduction continues to be a common issue across all the countries of South Asia. JICA has been supporting the economic development of the region by building infrastructure such as transportation systems, electricity, water supply, and sewerage services, and also by strengthening political systems and promoting cooperation with private companies. JICA has also been promoting minimizing existing regional disparities in consideration of socially vulnerable groups and impoverished people.



#### (2) Support for a peaceful and fair society

JICA is working toward regional peace and stabilization in countries such as Afghanistan and Pakistan as well as in Sri Lanka, which has been shifting to the development stage from the early reconstruction stage. JICA is also active in Nepal, which is in the process of nation building. JICA also offers support for vulnerable groups, human resource development, and gender equality.

## (3) Dealing with global issues and downside risks

JICA is promoting cooperation aiming at Universal Health Coverage (UHC)<sup>1</sup> in polio eradication efforts in Afghanistan and Pakistan. JICA also supports reconstruction after the major earthquake hit Nepal in 2015 under the Sendai Framework for Disaster Risk Reduction 2015-2030.

# **Country Overviews and Priority Issues**

#### India

India, whose population is predicted to become the largest in the world in 2022, is expected to maintain a real GDP growth rate of more than 7.5% in 2017; it has a great influence on stability and prosperity of the world in the future. As evidenced by the visit of Prime Minister Narendra Modi to Japan in November 2016, a strong relationship between Japan and India, where a top-level meeting is held every year, is being firmly maintained.

The Government of India implements policies such as "Make in India," which aims to create jobs for 100 million people through development of the manufacturing industry, and also carries out initiatives addressed in the Japan and India Vision 2025: Special Strategic and Global Partnership, including empowering women. To support these initiatives, JICA is promoting partnership in policy and institution reform and improvement of the investment environment that encourage participation of the private sector, through development of industrial corridors2 and provision of program loans for investment promotion. Furthermore, JICA is also involved in gender mainstreaming and social development, as seen in a decision in fiscal 2016 to implement the Rajasthan Water Sector Livelihood Improvement Project that promotes women's participation in the management of irrigation facilities [ > see the Case Study on page 38].

#### Bhutan

Bhutan is a landlocked country located at the eastern tip of the Himalayas, with a population of about 780,000. Bhutan commits

<sup>1.</sup> UHC is defined 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.'

<sup>&</sup>quot;The Delhi-Mumbai Industrial Corridor" and "the Chennai-Bengaluru Industrial Corridor." The former is 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. The latter is a Japan-India joint project of a comprehensive regional development plan in the rapidly growing Chennai-Bengaluru area, succeeding the Delhi-Mumbai Industrial Corridor

to the fundamental concept of Gross National Happiness (GNH), and aims to realize a society where people can live in happiness. Bhutan's real GDP growth rate was 6.5% in fiscal 2015, and this high economic growth was achieved based on supplies of hydroelectric power utilizing the country's abundant water resources. On the other hand, there are many issues, such as a large disparity between living standards in rural and urban areas. In Bhutan, JICA is focusing its aid programs on the following sectors: (1) agricultural and rural development; (2) development of basic infrastructure in rural areas; (3) industrial development that leads to job creation; and (4) environmental issues and climate change.

Case Stud

India: Odisha Forestry Sector Development Project (Phase 2)





# Supporting a Challenge toward the New Phase of the Indian Forestry Project through an ODA Loan

To conserve forest ecosystems while enhancing the livelihoods of poor people, JICA applies a joint forest management (JFM) model, in which the government and local people jointly manage forests, and also supports sustainable and comprehensive socioeconomic development, through an ODA Loan project.

In India, due to population increase, traditional lifestyles that rely on forest resources are becoming a burden on the forests, causing forest degradation. JICA has worked on forest conservation at many sites through ODA Loans for 25 years.

In 2006, JICA started Phase 1 of this project in Odisha State, where the poverty rate was particularly high. With the JFM model, JICA contributed to significant improvement of forest quality and reduction of poverty. Based on this success, the state government started a similar program under its own budget. JICA implements Phase 2 through an ODA Loan to disseminate this initiative across the region.

In Phase 2, to expand livelihood improvement activities by women's groups, JICA plans adding components to enhance financial support and outlets for products. As a good model for conservation of biodiversity and human well-being, a Japanese landscape model (SATOYAMA concept) will be adopted in the project. Through these initiatives, JICA will implement JFM in 1,200 villages, and aim at planting 5,700 hectares of land and improving household income by 15%. The outcome of the challenge in Odisha State is expected to spread over the state boundaries and spread nationwide.



Livelihood improvement activity in Phase 1 (basket-making). This support will be expanded in Phase 2

#### Afghanistan

JICA is implementing projects that contribute to both economic growth and social stabilization with serious consideration of the security situation in Afghanistan. In the agricultural and rural development sector, JICA is supporting capacity development on rice cultivation and maintenance and management of irrigation facilities. In the health and education sector, focus is on literacy education, special education, infectious disease control, and maternal and child health. In addition, JICA runs the Project for the Promotion and Enhancement of the Afghan Capacity for Effective Development (PEACE), which sends up to 750 government officials and university faculty members to Japanese graduate schools. This project is a long-term capacity development project to train these bearers of this country's future. JICA has also been cooperating closely with international organizations in order to extend its assistance to hard-to-reach areas in the country.

#### Pakistan

Pakistan has the world's sixth-largest population, approximately 190 million people. After the September 11 attacks in 2001, the role of Pakistan in maintaining peace in the region has been highlighted. As a result, the international community has given further priority to the stable and sustainable development of Pakistan. It has much potential as an emerging economic market with a large workforce; however, Pakistan still faces various development issues, with nearly 50% of its population living on less than \$1.90 a day. Sluggish economic growth due to the unstable political and security situation as well as a lack of direct investment are also a challenge.

JICA has set "economic development with job creation" as its long term goal. In particular, JICA concentrates on cooperation aiming at resolving power shortages that hinder economic growth, and adding value to agricultural products that account for 60% of the country's exports. Furthermore, JICA is extending cooperation in the health and education sector, such as infectious disease control, including polio and improvement in educational inequality, to promote social stability as a prerequisite to sound development.

#### Sri Lanka

Sri Lanka is an island in the Indian Ocean with a population of 20.99 million. Ever since the end of the 26-year conflict in 2009, the country has achieved stable economic growth, maintaining a real GDP growth rate of 5.3 % on average, and is very close to becoming an upper-middle income country. Despite the robust economic growth, the country's fiscal balance and balance of international payments chronically show losses. For further economic development, stabilization of the macroeconomic environment, including fiscal soundness and improvement of governance, is imperative, as well as enhancement of industrial competitiveness, including integration of international value chains and domestic industries, and improvement of the climate for foreign direct investment. Furthermore, measures on challenges such as rapid urbanization, disparity between urban and rural areas, and disaster risk reduction are also necessary.

Based on these needs, JICA is extending cooperation in

building basic infrastructure such as transportation, electricity, and water supply and sewerage treatment; support in political measures for private-sector development; and cooperation that contributes to the sustained economic growth of Sri Lanka, including improvement of livelihoods in the least developed areas [ > See the Case Study at the bottom right].

#### Maldives

The Maldives is a small island country comprising of 1,190 islands, with a population of 410,000. Per capita GNI was \$6,950 in 2015, the highest in South Asia. However, the economy of the Maldives relies largely on tourism and fisheries, and it is vulnerable to external influences such as natural disasters and the shift in market trends of the world economy. JICA provides cooperation in fostering local industry as well as support for the environment, climate change, and disaster management.

#### Bangladesh³

Bangladesh has the eighth-largest population in the world, approximately 160 million people. Having maintained stable economic growth at an annual average rate of 6% in the past 10 years, the country's per capita GNI exceeded \$1,000 in 2014. The Government of Bangladesh is now targeting becoming a middle-income country by 2021. 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 areas such as electricity and transportation is becoming a major issue.

Based on these needs, and to accelerate the country's economic development, JICA is extending its assistance for building and improving power plants, an urban railroad system, a road network and bridges, infrastructure such as water supply, sewage systems and waste management, and special economic zones for the improvement of the investment environment. On the other hand, to overcome the vulnerabilities of the country including vulnerability to natural disasters such as cyclones, floods, and earthquakes, and people living in poverty that account for approximately 25% of the population is also an important challenge. Therefore, JICA also provides cooperation in disaster prevention, education, health, rural development, and improvement of governments' administrative capabilities.

#### Nepal

Nepal is one of the poorest countries in South Asia. After the civil war, which lasted for 10 years, a comprehensive peace agreement was signed in November 2006, and the country started to move forward toward development, progressing in the peace process. At that time, a major earthquake of magnitude 7.8 hit Nepal in April 2015, followed by multiple aftershocks, causing tremendous damage. Meanwhile, in the wake of this incident, a new constitution

came into effect in September 2015, which had been pending for seven years, and local elections were held in May 2017 for the first time in 20 years, demonstrating that the country has taken a new step toward becoming a democratic nation.

With the concept of Build Back Better, JICA continues to support the reconstruction of Nepal from the earthquake through Japan's experience, and at the same time, with "sustained and balanced economic development" as a basic policy, JICA also assists in building a disaster-resistant nation, democratization, and infrastructure for further development of high-potential industries such as agriculture, hydraulic power generation, and tourism, as well as poverty reduction in rural areas.

Case Stu

Sri Lanka: Water Supply and Sewerage Development Programs in Urban Areas



# Supporting a Task to Keep Up with the Increase in Water Supply and Demand Caused by Rapid Urbanization

Responding to the increased demand for water supply caused by rapid urbanization is a pressing task to accomplish in the Greater Colombo area. JICA is supporting achievement of the safe and stable supply of water, both in tangible and intangible aspects.

The water supply coverage in Sri Lanka continues to be at a low level, at approximately 46% (2015), and especially in the Greater Colombo area, supply of water cannot keep up with the increasing water demand caused by rapid urbanization. In order to solve this problem, JICA supported expansion and improvement of the Kandana Water Treatment Plant in Kalutara District by the Water Sector Development Project II through an ODA Loan. The expansion work was completed in January 2017, and safe water began being supplied to approximately 300,000 additional local people. This water treatment plant is scheduled to be expanded further in the Kalu Ganga Water Supply Project for Greater Colombo (Phase 1), an ODA Loan project expected to be approved in fiscal 2017.

JICA supports not only infrastructure improvement but also human resources development in collaboration with local governments through initiatives such as the technical cooperation project, Capacity Development Project for Non Revenue Water Reduction in Colombo City (from 2009 to 2012), and the Capacity Development Project for Construction Management of Water Supply Pipe Laying, a JICA partnership program in collaboration with Nagoya City (from 2014 to February 2017).

By incorporating various schemes in comprehensive and effective ways, JICA will continue to contribute to the improvement of the surrounding environment for the sustainable growth of Sri Lanka.



Kandana Water Treatment Plant in Kalutara District, expanded through ODA Loans

<sup>3.</sup> In the Dhaka terrorist attack that occurred in July 2016, over 20 people were killed, including seven consultants who were engaged in survey work for JICA. While the security authorities have been taking actions, including arresting extremists, the threat of terrorism still exists today. JICA is working on fundamental enhancement of its security measures in response to the terrorist attack, and at the same time, conducting projects with the utmost attention to the security of the people concerned in accordance with the Japanese government's policy to continue assistance to Bangladesh.

# **Latin America and the Caribbean**

Economic Infrastructure Development, Response to Global Issues, and Support for Disparity Correction to Establish Pro-Japanese Countries in the Region Farthest from Japan



Mexico: A chief advisor inspecting the production line at an auto parts factory (Project for Automotive Supply Chain Development) (Photo by Kenichi Imamura)

## **Regional Issues**

- Tangible and intangible development of economic infrastructure is required to improve productivity and address urbanization.
- Making much-needed efforts to address global issues such as climate change, disaster risk reduction (DRR) and environmental conservation.
- It is important to support the correction of the historically large rich-poor gap in the region.

## **Fiscal 2016 Initiatives**

- The Co-financing for Renewable Energy and Energy Efficiency (CORE) conducted jointly by the Inter-American Development Bank (IDB) was expanded with the aim of implementing co-financing using ODA Loans worth \$3 billion by fiscal 2020.
- JICA reached an agreement on providing assistance in the health care sector in Cuba.
- We strengthened cooperation with *Nikkei* communities through private-sector collaboration and development of human resources for the next generation.

## **Future Cooperation**

- By working with private companies, JICA will provide support for "quality growth" to meet increasing infrastructure demands.
- While promoting renewable energy and energy saving, developing human resources for disaster risk reduction, and supporting environmental conservation efforts, JICA will also work on correcting economic disparities in the region.
- We will further strengthen ties with *Nikkei* communities and develop human resources who are familiar with Japanese affairs.

# **Central America and the Caribbean**

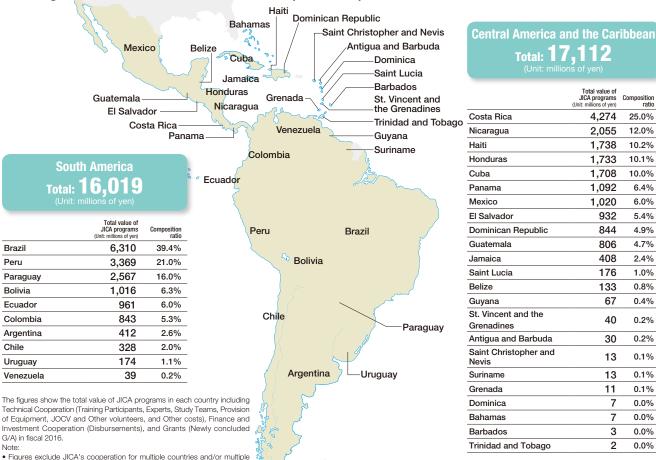
Many Central American countries are achieving stable economic growth today, and the Caribbean region is also maintaining a certain degree of economic growth supported mainly by the tourism industry. However, armed conflicts that continued from the 1960s in El Salvador, Guatemala, Honduras, and Nicaragua have seriously affected socioeconomic development in the Central American region. With the progress of peace negotiations, democracy began to take root in the region after the 1990s. But there are still remaining issues.

While many countries in the region have achieved medium income levels, there are no internationally competitive industries that can advance the national economy. It is also true that some countries are economically dependent on remittance of money from migrants residing in the United States. Foreign nations are also reluctant to make investments due to rising labor costs and poor public security. Such problems have caused these countries to fall into the "middle-income trap1." In this context, JICA is engaged in supporting the development of quality economic infrastructure to prevent low-income nations from falling into the trap and allowing middle-income countries to enjoy steady growth.

The Central America and Caribbean region are vulnerable to the

An economic situation in which a fast-growing developing country has reached a middle-income level and successfully reduced poverty, but has lost its international competitiveness in export manufacturing and its past growth momentum, due mainly to rising wages.

# JICA Programs in Latin America and the Caribbean (Fiscal 2016)



impact of climate change and frequently affected by earthquakes, tsunamis, hurricanes, and other natural disasters. Specifically, torrential rain disasters possibly due to climate change in recent years have been a huge concern in the region; thus, it is becoming an urgent task to establish a sustainable and resilient society.

regions and international organizations

This map lists only countries with program results in fiscal 2016.

Despite the acceleration in economic growth, internal economic disparity is becoming more acute in the region, which has resulted in the poor being confronted with limited access to basic education, health care, safe water, and other public services. Such a social problem can further exacerbate poverty and widen economic gaps. Therefore, inclusive development needs to be promoted to allow more people to enjoy social services equally.

# Economic Infrastructure Development: Productivity Improvement and Response to Urbanization

In Latin America and the Caribbean, JICA has worked on developing all aspects of economic foundations, including infrastructure improvement and human resources development in order for each country to achieve "quality growth."

In Mexico, since the Japan-Mexico Economic Partnership Agreement came into effect in April 2005, Japanese-affiliated companies, mainly in automobile-related industries, have actively expanded their business into the country, creating increased opportunities for supporting industries. Mexico, however, has failed to make full use of the opportunities due to insufficient labor

and technology. JICA works on cultivating highly skilled Mexican engineers who are needed for the automobile industry, while also improving the quality, productivity, and competitiveness of local small and medium enterprises. JICA is promoting effective win-win cooperation between Mexico and Japan by collaborating with Japanese enterprises.

In Nicaragua, JICA has carried out the Project for Urban Development Master Plan for Managua City. The population growth rate in the suburban area around Managua, capital of Nicaragua, was around 26% during the period from 2005 to 2012; the capital sphere has been expanding to areas around Managua City. In order to address unplanned urbanization and make future socioeconomic development more adequate and of better quality, JICA assists Nicaragua in developing the basic plans for sustainable urban formation by utilizing Japan's wide knowledge and experience of urban development and disaster prevention based on the know-how of its efficient land utilization.

# Response to Global Issues: Climate Change Strategies, Disaster Risk Reduction, and Environmental Conservation

In the Central America and the Caribbean region, JICA supports efforts to address global issues to realize a sustainable and resilient society.

In the field of climate change strategy, JICA and the Inter-American Development Bank (IDB) jointly provide Nicaragua with a co-financing program to introduce energy-saving equipment (LED bulbs, etc.) to the country, which is highly dependent on thermal power generation. In the renewable energy area, JICA and IDB also work together under the co-financing program to renovate and reinforce hydroelectric power plants in Honduras and promote geothermal power development in Costa Rica [ > see the Case Study below].

For disaster risk reduction, JICA focuses on creating a disaster-resistant society through "mainstreaming of disaster risk reduction," which is incorporated in the development of various sectors. This is because human and economic damage caused by

Costa Rica: Guanacaste Geothermal Development Sector Loan





# Utilization of Renewable Energy to Mitigate Climate Change Impacts

In Costa Rica, firm economic growth in recent years has resulted in steadily increasing power demand, and the country has faced the necessity of developing new power sources. Costa Rica, with no oil or other fossil-fuel resources, became the first country, other than developed countries, to set the goal of achieving carbon neutrality\* by 2021, and its basic policy for developing the electricity sector is to mainstream renewable energy. In particular, geothermal renewable energy has been expected as a renewable energy source to supply stable power throughout the year.

To assist Costa Rica's efforts, the Memorandum of Geothermal Development in Costa Rica was concluded in 2011 between JICA and the Costa Rican Electricity Institute; JICA has conducted surveys in Guanacaste Province to support the geothermal resource development. This ODA Loan project aims to mitigate climate change impacts and contribute to Costa Rica's sustainable development by constructing multiple geothermal power plants in the province and enhancing the power-supply capacity. JICA supports geothermal development projects, whose source is renewable energy, through resource development, civil engineering work for power plant construction, procurement of generators and related equipment, and consulting services.

\* A concept that the amount of artificially emitted carbon dioxide is controlled to be lower than the amount of absorption to maintain the balance.



Geothermal well testing

disasters prevents sustainable development in the disaster-prone Central American region.

In El Salvador, based on the findings of the Project for Capacity Development of the Department of Climate Change Adaptation and Strategic Risk Management for Strengthening of Public Infrastructure, JICA created the *Central American Regional Road and Bridge Infrastructure Hydraulic and Hydrological Measures Manual*, which contains technical proposals for planning and designing bridges and roads based on accurate flood simulation data, road infrastructure project models, and standard design specifications. In July 2016, this manual was officially approved by the Sectoral Council of Transport Ministers of Central America (COMITRAN) as a standard manual for the Central American region as a whole; accordingly, this manual is today widely utilized not only in El Salvador, but also in the Central American region.

In the Caribbean region, where the fishing industry is important, it is pointed out that unplanned overfishing has reduced fishery resources in recent years. JICA is currently working with fishermen and administrative bodies to control fishing operations for sustainable development of an environmentally friendly fishing industry.

# Support for Disparity Correction from the Human Security Perspective

In the Central America and Caribbean region, JICA supports the capacity building of local governments to rectify economic disparities. In the context of the increasing income gap between urban and rural areas in the Central American region, administrative power has been transferred to local governments to promote locally oriented development. However, local development has remained stagnant due to their vulnerable implementation structure and lack of knowledge and experience in formulating and implementing development plans that meet local residents' needs.

In Honduras, the Project for Strengthening the Capacity Development of the Local Governments for Regional Development was commenced in 2006 to provide consistent support for the introduction and stabilization of the following four-step development process: (1) residents' participatory survey on the community situation, (2) community development planning, (3)



A project to construct a school building using local resources. Each of the 13 community groups works every day in turns. Staff members from the city association in Honduras provide advice so that Ministry of Education standards are met. (Honduras: Project for Strengthening of the Capacity Development of the Local Governments for Regional Development)

municipal development planning, and (4) project implementation. This process successfully promoted residents' voluntary participation.

For development, especially in poor rural areas, JICA also carries out training programs for the Central American region by applying the Life Improvement Approach, which was established based on the experience of Life Improvement Promotions conducted in rural areas in postwar Japan.

The Life Improvement Approach is intended to "enhance the agency of rural residents" and "improve their lives" based on the following concepts: (1) self-determination: discovering, thinking. learning, and deciding by themselves; and (2) improvement: improving things and situations without spending money or using advanced technologies. Participants in these training programs are working as extension workers in their countries to promote resident-driven life improvement activities, and JICA continues to support their efforts.

# South America

South America, rich in resources and fertile soil, achieved steady economic growth in the 2000s, spurred by rising prices of, and increased worldwide demand for, resources and food. On the other hand, due to the recent downturn in resource prices and deterioration of terms of trade, some South American nations have been slow to shift from their conventional industrial structure, which is dependent on primary commodities, resulting in sluggish economic growth. In order to assist the countries of Latin America and the Caribbean in breaking free of the "middleincome trap" and achieving further economic growth, JICA is providing support for infrastructure development, which requires an enormous amount of investment. Furthermore, JICA is assisting these countries in enhancing their administrative capability as a foundation to facilitate private economic activities and ensure public security, as well as ameliorating urban environmental problems, which have become increasingly serious as the region's economy has grown.

Natural disasters, which claim many lives and cause considerable economic losses in a short span of time, are also a common issue among countries in South America. JICA also contributes to addressing such global issues. For example, JICA carries out emergency disaster relief and provides technical cooperation and financial assistance for developing countries to take prompt action in the wake of disasters and for disaster risk reduction activities.

Considering that there are many people left behind by economic growth and still living in poverty, JICA is also working on enhancing social safety nets for people living in less-developed countries and those being left behind by development as well as stabilizing social order in the region.

Working together with various development partners, including international organizations, private companies, universities and the Nikkei communities, JICA is addressing these issues, with a focus on the following three pillars of aid: economic infrastructure development, response to global issues, and support for disparity

correction from the human security perspective. With development partners such as Brazil, Chile, and Argentina, JICA also supports triangular cooperation for countries within and beyond the region.

## Economic Infrastructure Development: Productivity Improvement and Response to Urbanization

A number of countries in South America, despite having been freed of poverty, have been caught in the "middle-income trap," due to their lack of price competitiveness against low-income countries and lack of technical skills in comparison to advanced nations. In order to achieve "quality growth" in such countries,

Dispatch of the Partnership Promotion Survey Team for Nikkei Communities in Latin America and the Caribbean







# For Establishing a New Relationship between Japanese Companies and **Nikkei** Communities

Every year since 2013, JICA has dispatched survey teams to the region calling for participation from Japanese companies aiming for them to work with *Nikkei* people in the Latin American and Caribbean region and address development issues there together, as well as encouraging these Japanese companies to expand their business into the region.

JICA dispatched three survey teams to Paraguay in 2013, 2015, and 2016, creating new opportunities for participating companies to expand their business in the country. In 2016, a Japanese company that manufactures and sells automobile parts opened its local office in Paraguay. Another Japanese firm that plans, develops, and sells sesame-seed products also targeted sesame seeds, which were widely cultivated originally by Nikkei people in the country. The company introduced Japan's sesame seed processing technology through JICA's program of Support for Japanese Small and Medium Enterprises (SMEs) Overseas Business Development. They make trial products using sesame seeds produced by local small farmers; in this way, the company is working on developing, selling, and popularizing original products in the region.

The 2016 survey team, composed of 13 companies, visited the sites of Japanese and Japanese-affiliated companies engaged in automobile parts manufacturing, shipbuilding, and exporting sesame seeds. The survey team also visited an agricultural cooperative in the settlement for Japanese emigrants that has become the center of large-scale mechanized agriculture. They shared opinions at each site they visited during the tour.

The dispatch of survey teams deepened their understanding of the business environment in Paraguay. Further developments are

expected in the future, such as formation of a new relationship between Japanese companies and Nikkei communities in Paraguay.

JICA served as a mediator and facilitated matching opportunities among participating Japanese small and medium enterprises and Paraguayan companies



JICA is contributing to the economic infrastructure development of the countries by providing necessary assistance to infrastructure projects in the energy sector among other sectors.

In Bolivia, following the Laguna Colorada Geothermal Power Plant Construction Project (Phase 1 of First Stage), provided with an ODA Loan in July 2014, JICA conducted another ODA Loan project titled "Laguna Colorada Geothermal Power Plant Construction Project (Second Stage)" in March 2017 as the second stage of this project to construct a geothermal power plant with a total output of 100 MW. Due to the poor combustion efficiency at high altitude and high fuel transportation costs, constructing a thermal power plant is inappropriate for the southwest area of the country, and there are no locations suitable for a hydroelectric power plant, so the region has no large-scale power plants. On the other hand, the area is one of the world's largest producers of zinc, lead, and silver. Due to the active mining development, electricity demand is growing each year; thus, power supply needs to be stabilized as soon as possible. Through geothermal power generation efforts in the Sol de Mañana geothermal area, where the potential of geothermal development has been confirmed, JICA supports the stabilization of the power supply, which is a long-standing development issue in the region.

# Response to Global Issues: Climate Change Strategies, Disaster Risk Reduction and Environmental Conservation

South America frequently faces natural disasters—not only earthquakes and tsunamis, but also disasters resulting from the El Niño phenomenon, among others. Under the concept of Build Back Better to realize a resilient society, JICA provides support for emergency disaster response, recovery and reconstruction, and preventive measures to control and mitigate damage caused by disasters, learning from past disaster experience.

In Peru, JICA offers a wide range of schemes for preventive measures as well as recovery and reconstruction. As a disasterprevention measure, in January 2016, JICA provided Grants for Emergency Warning Broadcast System (EWBS) equipment for tsunami warnings, which utilizes the Japanese digital terrestrial broadcasting system, while also sending advisers for the implementation of EWBS in order to enhance Peru's disaster information transmission capability. JICA also supported the development of disaster risk reduction educational programs with the help of disaster risk reduction education experts who were dispatched to Peru to follow up the Project for Enhancement of Earthquake and Tsunami Disaster Mitigation Technology (2010-2015), a project under the Science and Technology Research Partnership for Sustainable Development program. In 2016, three disaster risk reduction educational events for children were held under this program, including a bucket brigade and transporting the injured to the hospital.

As recovery and reconstruction cooperation, JICA supplied tents, blankets, and other emergency relief goods for people affected by the debris flow and flooding due to the torrential rains of December 2016 in Peru. In order to provide a prompt response to such large-scale disasters, emergency funds necessary for recovery activities are available through the Japanese ODA Loan



A JICA expert actually experiencing a local product in the target region of the One Village One Product Project in Colombia

for Stand-by Emergency Credit for Urgent Recovery (SECURE),<sup>2</sup> which was signed in 2014.

# Support for Disparity Correction from the Human Security Perspective

Many countries in the South American region have been reaching a certain income level thanks to the recent economic growth, while the economic gap between urban and rural areas still remains unsolved. Today, regional development has been a major issue for future sustainable economic development in the region.

In Colombia, the conflict for over 50 years between the Colombian government and the revolutionary armed forces (FARC) finally ended when a peace agreement was reached. In this context, regional development in this country is one of the priority issues that need to be addressed for social and economic integration in conflict-prone Colombia. As regional development issues, the Colombian government focuses on the themes of "confidence-building between citizens and the government" and "enhancement of local communities through collaboration, cooperation, and unity." Specific policies by the government include the One Village One Product (OVOP) campaign, which was originally launched in Japan.

A technical cooperation project to promote the OVOP commenced in 2009 with Colombia's National Planning Department as a counterpart agency. JICA has assisted the department in enhancing the capacity of local governments and relevant bodies in the target regions, developing and standardizing the systems and procedures for implementing the OVOP campaign, and creating business plans utilizing local resources under the OVOP initiatives. JICA aims to revitalize the regions and bring peace by establishing a regional development model based on the principles of the OVOP campaign.

With having this loan signed in advance, funds can be used to promptly respond to needs that arise during post-disaster recovery activities.

#### **Support for Japanese Emigrants and Their Descendants**

# Support for Japanese Emigrants and Their Descendants and Enhancement of Collaboration and Relations with *Nikkei* Communities

There are currently more than 3.19 million Japanese emigrants and their descendants (*Nikkei*) living around the world making important contributions in many fields in each country and their presence plays a key role as a partner and as an intermediary between Japan and the countries where *Nikkei* reside.

# Changes in the Situation in Countries Where Japanese Emigrants Have Settled and Future Challenges

For Japanese emigrants who have settled in Latin America and the Caribbean in line with the postwar Japanese emigration policy, JICA had been providing assistance to settle in the new lands and to stabilize their livelihoods. On the other hand, *Nikkei* communities have matured, and generational transition has also taken place with the passage of time. Accordingly, JICA is committed to strengthening collaboration and relationship with *Nikkei* communities as well as supporting Japanese emigrants and *Nikkei*, with a focus on human resources development and elderly welfare.

## Main Programs and Activities for Japanese Emigrants and Nikkei

#### 1. Dissemination of Knowledge on Overseas Migration

The Japanese Overseas Migration Museum, which opened in Yokohama in 2002, aims to encourage the public—especially young people who will lead the next generation-to learn about the history of Japanese migration and become acquainted with emigrants and the Nikkei. The museum consists of permanent exhibits featuring the immigration records of Japanese emigrants and historical materials donated by them, as well as special exhibitions covering a variety of subjects. In addition to the library containing emigration-related books and films, it also provides information on its website and conducts studies and research activities. The museum had a record 52,923 visitors in fiscal 2016, and the total number of visitors since its opening exceeded 470,000.

The special exhibition in fiscal 2016 featured three themes: "Two Olympic Games—*Nikkei* Communities Connected by Sports," associated with the Rio de Janeiro Olympic and Paralympic Games; "Our Homeland in the Mirror—*Nikkei* in Argentina"; and "*Nikkei* Festivals in Hawaii—New Year and *Bon* Dance." This year the series on prefectures of origin of Japanese emigrants featured Hiroshima Prefecture.

## 2. Support for Emigrants Abroad

JICA provided subsidies for the management of *Nikkei* clinics at settlements in Bolivia and the Amazonia Hospital in Brazil while also supporting traveling clinics and programs involving elderly welfare and medical services for settlements in Brazil, Paraguay, Bolivia, and the Dominican Republic. In addition, among other



Overseas Migration Museum in fiscal 2016

programs, JICA also provided subsidies for programs aimed at the training and recruitment of local *Nikkei* Japanese-language teachers.

# 3. Educational Initiatives for the Children of Emigrants

JICA organizes a program for children of emigrants that provides a firsthand opportunity to gain a deeper understanding of Japanese culture and society, enhance their identity as *Nikkei*, and develop human resources who will lead the next generation. In fiscal 2016, JICA implemented such programs aimed for junior high school, high school, and college students, and a total of 100 students participated in them.

JICA also offers a scholarship covering living expenses and tuition to support *Nikkei* students attending graduate schools in Japan. Seven new students benefited from this program in fiscal 2016.

# 4. Support for *Nikkei* Communities and Local Communities

JICA dispatches volunteers to *Nikkei* communities. They are called *Nikkei* Volunteers, and they mainly assist with Japanese-language education, health care, and welfare services while living with Japanese emigrants and *Nikkei* there. This initiative is intended to provide technical cooperation and support revitalization of *Nikkei* communities as well as to develop partner countries through these communities. The number of volunteers newly dispatched to Brazil in 2016 was 80 people (40 Youth Volunteers for *Nikkei* Communities, 17 Senior Volunteers for *Nikkei* Communities, and 23 short-term volunteers), achieving the goal of increasing the numbers to 100 volunteers.

In the Special Participation Program for School Teachers for *Nikkei* communities, applied in fiscal 2008, JICA dispatches school

teachers in Japan to local government-recognized schools. Upon returning to Japan, these former volunteer teachers are expected to take full advantage of their experiences to assist with the education of *Nikkei* children in Japan. In fiscal 2016, JICA dispatched four teachers.

In addition, universities, local governments, public organizations, and private enterprises in Japan submitted proposals to JICA for training programs for *Nikkei* to receive. JICA accepted 139 *Nikkei* training participants under this program in fiscal 2016.

#### 5. Strengthening Partnerships with Nikkei Communities in Latin America and Japan's Private Sector

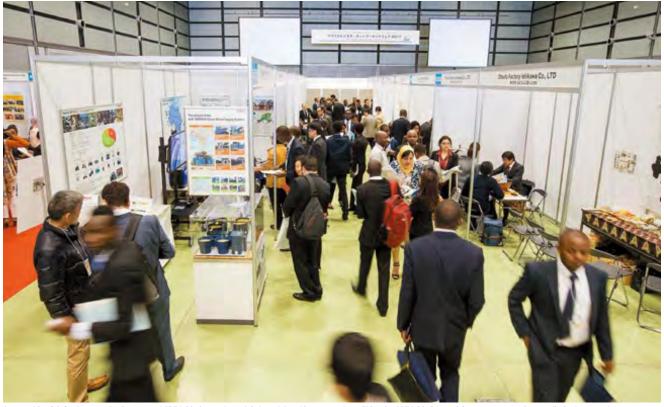
In fiscal 2016, JICA dispatched the Partnership Promotion Survey Team to Brazil, Argentina, and Paraguay with an aim to contribute to economic and social development in Latin America and the Caribbean, through strengthening partnerships between Japanese private companies and private companies owned or managed by Nikkei in those countries. Some of the Japanese companies that participated in the survey now utilize JICA proposal-based projects, such as the Project Feasibility Survey, the Promotion Survey, the private sector partnership volunteer program, and the training program for Japanese descendants, to promote business partnerships with Nikkei companies. On the other hand, some Japanese companies independently expand their business into the region or carry out international cooperation activities [→ see the Case Study on page 43].

#### 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.

# **Africa**

# Africa as a Partner to Share the Future



A networking fair for Japanese businesses and ABE Initiative students. It is hoped that this get-together will inspire ABE Initiative participants to serve as intermediaries between Japanese businesses and Africa.

## **Regional Issues**

- Africa's economic structure depends much on the export of primary commodities and natural resources. This highlights the need to diversify industry and create new jobs.
- Africa also needs to tackle two other major challenges: (1) strengthening vulnerable health systems, as illustrated by the spread of communicable diseases; and (2) overcoming vulnerabilities associated with climate change, violent extremism, and other issues.

#### Fiscal 2016 Initiatives

JICA worked on a range of issues revolving around the three pillars set out in the Nairobi Declaration, which was adopted at the Sixth Tokyo International Conference on African Development (TICAD VI). The three pillars were (1) promoting structural economic transformation through economic diversification and industrialization; (2) promoting resilient health systems for quality of life; and (3) promoting social stability for shared prosperity. These issues included infrastructure development, industrial human resources development, the mainstreaming of universal health coverage (UHC), 1 peacebuilding, agriculture, and climate change mitigation and adaptation.

#### **Future Cooperation**

JICA will extend assistance to help African countries to transform their economic structure and surmount vulnerabilities while respecting ownership by and partnership with Africa. In the process, JICA will work with the New Partnership for Africa's Development Planning and Coordinating Agency (NEPAD Agency)<sup>2</sup> to implement the Initiative for Food and Nutrition Security in Africa (IFNA) and the KAIZEN Initiative, both announced at TICAD VI

# TICAD VI

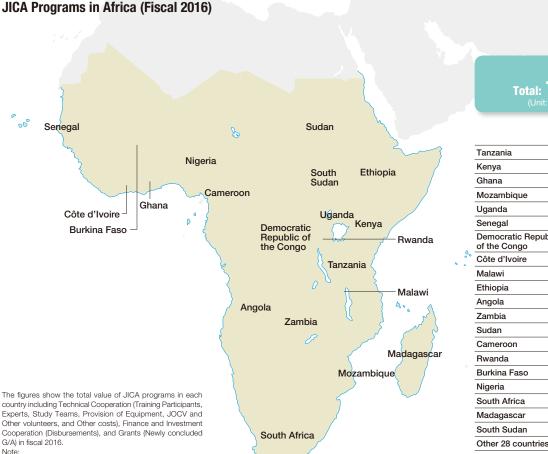
In August 2016, the Sixth Tokyo International Conference on African Development (TICAD VI) was held in Africa for the first time. Leaders and other high-level officials of African countries, international development organizations, private enterprises, universities and other research institutions, civil society organizations, and public-sector organizations gathered in Nairobi to participate in TICAD VI. The conference, including its side events, was attended by a total of 11,000 people, an unprecedented scale.

This conference had three distinctive features compared with the previous five TICAD meetings. First, the very first TICAD in Africa highlighted more than ever the commitment of African countries to tackling their issues on their own, affirming growing ownership by these countries. Second, various actors used the TICAD framework as a common platform for African development, giving form to partnership with international organizations and other donors. Third, the visit to Nairobi not only by government officials but also representatives of many private enterprises deepened business partnership between Japan and Africa.

TICAD VI was of great significance in that it not only charted new directions for African development but also promoted and

UHC is defined 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."

The NEPAD Agency is an implementing arm of the African Union (AU). NEPAD is an African initiative for African development, adopted at the African Union (AU) Summit in July 2001.



#### Composition 14.9% Tanzania 17,239 15,907 13.7% Kenya Ghana 13,249 11.5% Mozambique 8,051 7.0% Uganda 7,390 6.4% Senegal 6.891 6.0% Democratic Republic 4.1% 4.735 of the Congo 3.2% Côte d'Ivoire 3,723 Malawi 3,703 3.2% Ethiopia 3.109 2.7% 2.2% 2.591 Angola Zambia 2,343 2.0% 1,941 Cameroon 1,708 1.5% 1.541 Rwanda 1.3% Burkina Faso 1.293 1.1% Nigeria 1,207 1.0% 1,205 1.0%

923

702

16,245

0.8%

0.6%

14.0%

even directed mutual understanding among various development actors in addition to African countries.

# Nairobi Declaration

full status are located.

 Figures exclude JICA's cooperation for multiple countries and or multiple regions and international organizations This map lists only countries where JICA overseas offices with

Key points of TICAD VI were compiled into the Nairobi Declaration, one of its outcome documents. Taking note of new development challenges Africa faced following TICAD V in 2013, including declining international resources prices, Ebola virus disease outbreaks, and growing violent extremism, the Nairobi Declaration identified three pillars as priority areas of action to be addressed for the next three years: (1) promoting structural economic transformation through economic diversification and industrialization; (2) promoting resilient health systems for quality of life; and (3) promoting social stability for shared prosperity. The details were set out in the Nairobi Implementation Plan for 2016-2018.

In view of the Nairobi Declaration and the Nairobi Implementation Plan, Japan announced it would invest around \$30 billion (approximately ¥3 trillion) in Africa under publicprivate partnerships and offer training to some 10 million people in the region. Toward TICAD 7, scheduled for 2019, the Nairobi Implementation Plan for 2016–2018 will be carried out in tandem with the ongoing Yokohama Action Plan 2013-2017, which was adopted at TICAD V. In line with the measures Japan has announced at TICAD meetings, JICA will implement programs and projects in sectors where it can take advantage of Japan's strengths, including quality infrastructure development and human resources development.

#### Growing African Ownership

The growing ownership among African countries has been demonstrated at TICAD VI as well as through other movements in Africa during 2016.

Since an international consensus was formed on the need to support the New Partnership for Africa's Development (NEPAD) activities at TICAD III in 2003, JICA has been working with the NEPAD Agency to promote African development. In 2014, JICA and the NEPAD Agency signed a memorandum of understanding (MOU), which forms a concrete cooperation framework. This led to tangible progress in cooperation in sectors such as regional infrastructure development and agricultural development. At TICAD VI in 2016, the NEPAD Agency launched two initiatives along with JICA: the KAIZEN Initiative and the Initiative for Food and Nutrition Security in Africa (IFNA).

The KAIZEN Initiative is aimed at helping to enhance corporate productivity—a movement JICA has been promoting for a long time. Under the initiative, JICA and the NEPAD Agency will initiate a partnership program in Ethiopia and other countries in Africa with the aim of augmenting the relevant companies' corporate productivity by 30%. The idea is to standardize the KAIZEN approach and replicate it in the whole region. IFNA aims at achieving evidence-based nutritional improvement over the

next 10 years, and the initiative will start in 10 African countries [ > see the Case Study on page 75]. The secretariats for the KAIZEN Initiative and IFNA are based at the headquarters of the NEPAD Agency. JICA and the NEPAD Agency will jointly promote these two initiatives while supporting African ownership.

JICA assisted African countries in establishing the Sustainable Development Goals Center for Africa (SDGC/A) in Rwanda in 2016, the first of its kind in the world. SDGC/A is designed to achieve poverty eradication and sustainable development by 2030. It works on four areas: (1) research and policy advice; (2) education and capacity building; (3) technology, innovation, and outreach; and (4) inter-country investments and projects. SDGC/A clearly represents Africa's commitment to addressing the challenges it faces at its own initiative. JICA will work with SDGC/A to assist African countries in achieving the SDGs. In the process, JICA will respect African ownership and bring together all the experiences and knowledge it has gained on the ground [ > see the Column on page 99].

As TICAD gradually becomes known, partnerships among related organizations have been reinforced.

At a side event of TICAD VI, the Japanese government and the African Development Bank announced that both will target jointly \$3 billion under the third phase of the Enhanced Private Sector Assistance for Africa initiative (EPSA 3). The Japanese government also signed a Memorandum of Cooperation (MOC) between Japan and the United States on renewable energy development in Africa. Also, JICA and the French Development Agency (AFD) signed an MOC in the area of a sustainable city in Abidjan.

Other than at the occasion of TICAD VI, in June 2016 JICA collaborated with the United Nations Police (UNPOL) of the UN peacekeeping operations to provide the National Police of Mali with training in combating terrorism and organized crime. JICA saw a virtuous cycle of human resources development. Some of the lecturers for this training turned out to be former participants in police training programs that were jointly organized by JICA and the United Nations Development Programme (UNDP) in the Democratic Republic of the Congo in 2005 and 2014. In February 2017, JICA signed an agreement with the Ethiopian government to provide an ODA Loan of up to ¥5.5 billion for the Women Entrepreneurship Development Project in partnership with the World Bank. This is JICA's first co-financing loan specifically targeting women in Africa. JICA offers comprehensive cooperation while respecting partnerships in development and working closely with development partners.

# Broaden Partnerships

# Private-Sector Collaboration in African Business

The year 2016 saw extensive progress in business exchanges between Japan and Africa revolving around private-sector collaboration.

Officials from more than 100 Japanese firms gathered in Nairobi to attend TICAD VI side events. They showcased their products and services and mingled with African businesspeople at the Japan Fair, the venue of which was near the main conference hall. At the Japan-Africa Business Conference, another TICAD side event, Japan's business community announced the Business Declaration to forge a stronger partnership with Africa, presaging more active business activity in the region.

In October 2016, JICA decided to invest in the Off-Grid Solar Power Project conducted by Digital Grid Inc. (DG), the first Private-Sector Investment Finance (PSIF) project in Sub-Saharan Africa. This project is designed to install solar panels at retail

Sub-Saharan Africa: **Regional Infrastructure Development** 









Africa, which includes as many as 15 landlocked countries, needs to expand intra-regional trade if it wants to achieve sustainable economic growth. In particular, it urgently needs to facilitate the movement of goods and services across the continent to make distribution safer, faster, and cheaper. Since TICAD IV in 2008, JICA has been working with the New Partnership for Africa's Development (NEPAD) Agency—an implementing arm of the African Union—to support the introduction of One Stop Border Posts (OSBPs) for corridor development and streamlined border clearance.

Starting with the Chirundu OSBP on the Zambia-Zimbabwe border, JICA has assisted a total of 14 OSBPs in Africa through various aid modalities, such as ODA Loans, Grants, and Technical Cooperation. In 2016, the Rusumo OSBP on the Tanzania-Rwanda border was put into service, and it is expected that this OSBP will reduce clearance time to one-third, minimize costs, and double traffic volumes.

JICA has been supporting the promotion of OSBPs by utilizing the OSBP Source Book, a compilation of know-how in planning and operating OSBPs and lessons learned from operational OSBPs. The Source Book was prepared by JICA jointly with other donors, the NEPAD Agency, and regional economic communities (RECs). In order to promote the Source Book, JICA has, for example, worked with the NEPAD Agency to organize regional meetings in the eastern and southern parts of Africa to support the dissemination of OSBPs, while utilizing the Source Book as a tool for it.

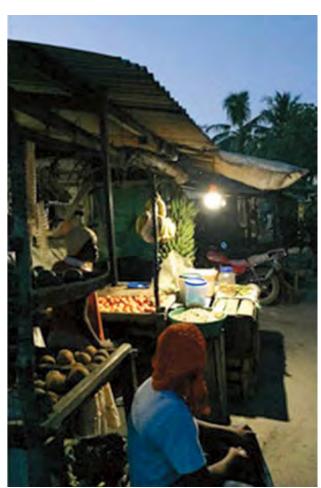


Rusumo International Bridge and OSBP facilities on the Tanzania-Rwanda border

shops in villages without electricity, and provide LED lamp rental and charging services as well as mobile phone charging services at these retail shops for customers. By providing ¥300 million in equity participation to DG, JICA will assist the firm in expanding its business operations in Tanzania, thus helping to improve the electrification rate in the country.

Progress has been also made in the relationship between Japanese businesses and African students studying in Japan under the African Business Education Initiative for Youth (ABE Initiative), which is expected to train "navigators" for Japanese firms planning to do business in Africa. The number of Japanese companies accepting such students as interns jumped from 65 in 2015 to 99 in 2016. The number of Japanese firms participating in the Africa Business Networking Fair—which offers opportunities for them and ABE Initiative participants to get to know each other-are also on the rise. It surged from 90 in 2015 to 150 in 2016, suggesting that more and more Japanese businesses are interested in building relationships with Africa. The ABE Initiative has produced other positive outcomes. Some of these companies recruited such interns in Japan. Some Japanese firms that have a foothold in Africa hired former participants in their home countries.

JICA will continue to support the expansion of African business by Japanese private enterprises through human resources development and financial assistance.



A retail store that is open at night thanks to an LED lantern provided in the Off-Grid Solar Power Project in Sub-Saharan Africa, the first PSIF project in Africa (Tanzania)

Rwanda: Partnership with Kobe City Made Possible by the ABE Initiative







# ICT Innovation Fostered in **Industry-Academia-Government Partnership**

Rwanda achieved high economic growth in only 20-plus years after the end of the civil war. This is often described as an "African miracle." Determined to build the state on ICT, the whole nation is committed to promoting the technology. This commitment is significantly supported by the Kobe Institute of Computing (KIC) and Kobe City, both in Japan.

Under the ABE Initiative, KIC accepts many students from Africa who have great potential to play an important role in the ICT sector. The Kobe-based institute offers courses designed to teach practical and applied skills so that they will be able to identify social issues from the perspective of industrial human resources development for Africa and explore solutions to these issues through learning by doing. These students include many from Rwanda. The Rwandan business community highly values KIC as an important hub for developing human resources for ICT.

To be able to continue living up to such high expectations, KIC in 2014 launched the K Initiative with the Rwanda ICT Chamber to create 1,000 jobs in Rwanda by 2020. In view of these efforts by KIC, Kobe City also made arrangements to support Rwanda. For example, Kobe and the Rwandan capital of Kigali concluded an ICT partnership agreement in 2016.

The relationship between KIC and Rwanda boosted activities by Kobe City, deepening the industry-academia-government partnership for the African country.



A May 2016 industry-academia-government mission to the Rwandan capital, Kigali, involving Kobe City, KIC, and Kobe-based businesses. Third and fourth from right in the front row are Kobe Mayor Kizo Hisamoto and KIC Vice President Kenji Fukuoka, respectively

# Middle East and Europe

For Stabilization through Humanitarian and Reconstruction Assistance and Dialogue



Aiming to improve livelihoods of smallholder farmers in Egypt, JICA is supporting the improvement of yield and quality of vegetables.

## **Regional Issues**

- Medium and long-term measures are required to address poverty, economic disparity, unemployment, and other structural problems that caused the Arab Spring.
- The refugee issue is a global challenge, for which humanitarian assistance as well as support to host communities are both essential.
- Lasting peace and economic promotion are necessary for the stabilization of Eastern Europe.

# **Fiscal 2016 Initiatives**

- In line with the assistance announced at the G7 Ise-Shima Summit, JICA provided support for Syrian refugees and the reconstruction of Iraq for the realization of peace and safety in the region.
- In order to promote "quality growth," JICA implemented projects to support infrastructure development, human resources development, employment, and industrial promotion.
- JICA provided assistance in such sectors as governance, environmental improvement, and other efforts for the stabilization of Eastern Europe.

#### **Future Cooperation**

- For regional stabilization, JICA will provide assistance for Syrian refugees, the reconstruction of Iraq, the Middle East peace process, and reduction of disparities.
- To promote "quality growth," JICA will support improvement of governance and promote assistance utilizing the technologies and know-how of Japan.
- JICA will continue its cooperation in areas such as human resources development that bolster the development of the nations and promote regional cooperation.

# **Middle East**

## Realizing a Peaceful and Secure Society

The conflict in Syria has already claimed over 300,000 of lives, while the number of refugees and internally displaced persons has reportedly reached about 5 million and 6.5 million, respectively. Jordan has been accepting around 650,000 refugees, and JICA has been providing development policy loans, water supply development aid, disability assistance, community health aid, and other forms of comprehensive support [→ see the Case Study on page 52].

Due to severe effects from repeated wars in Iraq, people are still forced to live under harsh conditions because of the lack 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, and extensive infrastructure development is essential to underpin its economic growth. To address diverse needs for reconstruction, JICA is providing support to Iraq focusing on (1) strengthening the foundation for economic growth, (2) revitalizing the private sector, (3) improving the quality of life, and (4) strengthening governance.

For Palestinian people, JICA is providing technical assistance for the development of the Jericho Agro-Industrial Park (JAIP), a project under the Corridor for Peace and Prosperity initiative proposed by the Japanese government. In this project, six companies are already operating businesses. Additionally, since

#### JICA Programs in Middle East and Europe (Fiscal 2016) Total value of JICA programs 9.711 Turkey 67.5% **Europe** Ukraine Albania 1.712 11.9% Total: 14,388 (Unit: millions of yen) Moldova Bosnia and Herzegovina 1,247 8.7% 555 Serbia 3.9% Ukraine 488 3.4% Serbia 1.5% 218 Bosnia and Herzegovina Kosovo Montenegro Moldova 1.3% 183 Kosovo The Former Yugoslav 32 0.2% Republic of Macedonia Turkey The Former Yugoslav 24 0.2% Republic of Macedonia 0 Romania 0.0% Lebanon Syria Israel Iraq Iran Palestine Morocco Algeria Jordan Kuwait **Middle East** Total: 118,358 Egypt Qatar Saudi Arabia United Arab **Emirates** Saudi Arabia Iraq 63.131 53.3% 66 0.1% Oman 23.522 19.9% 63 Lebanon 0.1% Egypt Jordan 12,678 10.7% **United Arab Emirates** 12 0.0% 8.350 7.1% Oman 0.0% The figures show the total value of JICA programs in each country/region including Tunisia 7,117 6.0% Kuwait 5 0.0% Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other volunteers, and Other costs), Finance and Investment 2.021 3 Palestine Yemen 0.0% 1.7% Cooperation (Disbursements), and Grants (Newly concluded G/A) in fiscal 2016. 0.0% Iran 0.9% Israel 1.122 1 Note • Figures exclude JICA's cooperation for multiple countries and/or multiple Syria 157 0.1% Qatar 1 0.0% regions and international organizations 102 0.1% Algeria

fiscal 2012, Japan, working as a mediator, has been organizing collaboration with Asian countries under the framework of the Conference on Cooperation among East Asian Countries for Palestinian Development (CEAPAD), applying lessons learned from experiences of Asian countries toward the development of the West Bank and Gaza and more than 300 Palestinians received training for their capacity development.

Armed clashes with Israel in Gaza since July 2014 have resulted in extensive destruction, and JICA delivered supplies to the people affected by this destruction. Since the end of the armed clashes, JICA has been providing support in electricity and water supply for reconstruction together with support for the formulation of reconstruction plans.

# Promoting "Quality Growth"

The Middle East is an attractive market for infrastructure businesses as well as an important partner for Japan as a provider of oil. However, the Middle East has been a relatively difficult partner to work with due to differences in business culture and customs as well as its longstanding economic ties with Europe.

In the Middle East region, JICA is providing assistance for "quality growth" leveraging Japanese technologies. For Egypt, JICA signed four agreements on ODA Loan projects: The Greater Cairo Metro Line No. 4 Phase 1 Project, which was Egypt's first Special Terms for Economic Partnership (STEP) ODA Loan project, as the first step toward the participation of Japanese businesses in the subway construction; Project for Construction of the New Dirout Group of Regulators in March 2015 (the world's first STEP ODA Loan project in the field of irrigation); as well as Hurghada Photovoltaic Power Plant Project (the world's first STEP mega solar project) and Borg El Arab International Airport Extension Project in Egypt's second largest city, Alexandria, both in February 2016.

to developed countries

The regional total of Europe includes JICA's costs for dispatching Study Teams

This map lists only countries and regions with program results in fiscal 2016.

In addition to assistance for formulating a national development plan as a nation-building guideline and for enhancing the plan's execution capacity, which have been extended since the February 2011 revolution, JICA started to provide support for national statistics development. JICA is also working on the development of human resources with comprehensive education support encompassing early childhood education to higher education, leveraging characteristic features of Japanese education [→ see the Case Study on page 52].

For Iraq, in fiscal 2016, JICA formulated an ODA Loan project, the Electricity Sector Reconstruction Project (Phase 3), to support the recovery of the central and western areas of the country seriously affected by the Islamic extremist militant group ISIL. The Water Supply Sector Loan Project in Mid-Western Iraq is also under consideration. The Fiscal Reform Development Policy Loan (II) project was formulated as a co-financing project with the World Bank, following the Fiscal Reform Development Policy Loan implemented in fiscal 2016. In an effort to provide both tangible and intangible assistance, JICA also engages in developing

human resources through training programs either in Japan or neighboring countries.

For Iran, where economic sanctions were lifted, moves toward resumption of financial cooperation are accelerating. In March 2017, JICA concluded an agreement with the Iranian government to provide Grants for the procurement of emission measurement and analysis equipment for the mitigation of air pollution in the capital city, Tehran. Preparation is also underway for financial cooperation in the electricity and health sectors. JICA is continuously supporting Iran through strengthening the

Iranian government's implementing capacities for environmental conservation, water resources management, disaster risk reduction, and other initiatives, as well as human resources development.

Since fiscal 2013, JICA has also been developing projects to dispatch experts and accept training participants under the Cost-Sharing Technical Assistance, in which the partner government bears a large portion of the expenses, for ODA-graduate Gulf nations. For Saudi Arabia, preparation for cooperation is underway based on the Saudi-Japan Vision 2030 agreed between the

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The Programme for Urgent Improvement of Water Sector for the Host Communities of Syrian Refugees in Northern Governorates





Egypt-Japan Education Partnership (EJEP)



# To Achieve Peace and Stabilization by Supporting Sustainable Development of a Refugee Recipient Country

In order to support the sustainable development of Jordan, which has accepted over 650,000 Syrian refugees, JICA joins the Jordanian government and other relevant organizations for resolution of various problems, and thus endeavors to contribute to peace and stabilization of the Middle East region.

In Jordan, which is one of the countries with the scarcest water resources in the world, in some areas water is supplied only on a few days each week. The population increase as a result of the refugee influx has made the water supply service even worse.

Particularly in the northern part of the country, close to the nation's border with Syria, while the water supply and sewage systems are deteriorated and have leaks and other problems, operations exceeding the capacity have continued to meet the rapidly growing demand for water due to the large influx of refugees, thus resulting in severe stress on public water facilities. Even some friction was seen between Syrian refugees and local Jordanian residents in getting the limited amount of water. So, first focusing on the water and waste water services in the northern region, JICA provided support for the formulation of development plans with the target year set for 2035. JICA furthermore conducted emergency maintenance and repairs of the water facilities as well as provided training of repair work. The designed development plans have been highly evaluated by the Jordanian government and other donors, and various projects have been carried out in line with the development plans. It is expected that these support activities will effectively respond to water demand in refugee-receiving regions as well as contribute to peaceful coexistence between host communities and refugees.



Yarmouk Water Company (YWC) officials check leakage from water pipes.

# Installation of Japanese-Style Education in Egypt

While approximately half of the country's total population of around 93 million people is under 25 years of age, the unemployment rate for youth is 42% (World Bank, 2014). Unemployment is said to be a cause of the 2011 revolution. Therefore, the capacity development of young people is essential in order to eliminate unemployment as well as to ensure stabilization of the country.

Highly valuing Japanese people's diligence, discipline, and cooperativeness as being an actual realization of the teaching in the Islamic holy book, the Koran, Egyptian President Abdel Fattah el-Sisi requested support for human resources development from Japan. During his February 2016 visit to Japan, the Egypt-Japan Education Partnership (EJEP) was concluded between the two countries. Based on the partnership agreement, JICA has been extending support in various areas.

In its support under the partnership, JICA is making two first attempts. One is a focus on improving student discipline and cooperativeness in basic education, rather than academic achievement. In this regard, classroom cleaning by students, class meetings, and other *Tokkatsu* (special activities), which are typical characteristic features in Japanese school education are being introduced. The other is that JICA provides comprehensive and intensive support together with financial cooperation by sending specialists to Egypt at all education levels, including early childhood, basic, technological, and higher education.

Through these support efforts, based on the strengths of Japan's education system, it is expected that the capacity of young Egyptians will be improved in order to contribute to the stabilization and development not only of Egypt but the entire Middle East region.



Students of a Giza primary school clean the school grounds as maintenance and management work of school facilities is a step to learn how to live with others and work cooperatively.

countries during King Salman's visit to Japan. The cooperation areas are improvement of quality of education and industrial development, including the promotion of tourism and SMEs, as well as cooperation with third countries in collaboration on the Saudi Fund for Development.

In the Maghrib region (Algeria, Morocco, and Tunisia), JICA made a survey on the possibilities of ODA assistance for infrastructure development as well as of business expansion by Japanese companies in the region as part of the aid package of the Fifth Tokyo International Conference on African Development (TICAD V). JICA also invited officials representing each of the three governments and held an infrastructure development seminar for enhancement of win-win relationship between these countries and Japan. At the seminar, JICA contributed to stronger ties with each country by providing necessary information to Japanese companies. In addition, JICA continues to encourage the younger generation in the Maghrib region to study in Japan as part of the African Business Education Initiative for Youth (ABE Initiative) to foster industrial human resources.

In Tunisia, JICA is promoting the development of industrial human resources in the fields of employment promotion and industrial development through the Borj Cedria Science and Technology Park Development Project (ODA Loan); the Project on Quality/Productivity Improvement (technical cooperation); and other programs.

For Morocco, support has been provided in the fishery sector, in which the two countries have had a strong relationship. In January 2017, a STEP ODA Loan was provided for the Oceanographic and Fishery Research Vessel Construction Project in an effort to support Morocco's sustainable fishery resource management by leveraging Japan's shipbuilding technologies. JICA is also supporting the development of value chains such as agricultural production, processing, distribution, and commercialization, by providing assistance through its diverse cooperation schemes, including cooperation extended through partnerships with Japanese private companies.

## Facilitating Regional Initiatives

In 2014, JICA signed a memorandum of understanding for cooperation with the Regional Organization for the Protection of the Marine Environment (ROPME). JICA and ROPME are cooperating in the preservation of the marine environment in the ROPME Sea Area, including the marine ecosystem, biodiversity, preventing pollution caused by economic activities, and preserving water quality.

Having signed an MOC with the Middle East Desalination Research Center (MEDRC) Water Research in March 2017, JICA will further partnership with MEDRC in assistance for the water sectors of Israel, Palestine, Jordan, and other countries.

# **Europe**

# Stabilization of the Region

Many refugees have been accepted in Europe since the Syrian crisis, with Turkey receiving over 3 million. JICA provides

assistance for the infrastructure improvement efforts of Turkish local governments as well as mental care for refugees and other social welfare services. In Serbia and the Former Yugoslav Republic of Macedonia, with migration routes for refugees, JICA provides medical equipment and implements cooperation for waste management in areas near the national borders.

While having recovered from the conflicts of the 1990s, the Western Balkans still suffer from a critical unemployment situation and potential confrontations. Thus it is required for international society to provide support for building a peaceful and stable society. In response, JICA supports capacity development of the media, trust-building through promotion of sports, and other initiatives to facilitate ethnic collaboration and social stabilization in Kosovo and Bosnia and Herzegovina.

Since Ukraine and Moldova are in significant locations from geopolitical viewpoints, the steady development of both countries is indispensable for stabilization of the region. Since February 2014, when the situation of Ukraine deteriorated, JICA has provided financial and technological assistance for the improvement of transportation and environmental infrastructures, elimination of corruption, enhancement of the media sector, fiscal and financial reform in its efforts to support domestic reform.

#### Environmental Preservation

Countries that want to join the EU need to achieve environmental standards in line with EU criteria. JICA focuses its support on achieving these requirements by leveraging Japan's knowledge in the area.

For Serbia and Bosnia and Herzegovina, JICA supports the installation of flue gas desulfurization systems in coal-fired thermal power plants. By installing equipment that will reduce sulfur dioxide (SO<sub>2</sub>) and dust emissions from power plants, JICA aims to reduce air pollution and achieve EU environmental standards. In Ukraine and Albania, JICA supports improvement of a sewage treatment plant for improvement of the living environment. In Kosovo and Albania, JICA addresses capacity building for waste-management, and in Serbia JICA helps with the transfer of Japan's energy-saving technologies. In the Western Balkans and Turkey, JICA engages in taking countermeasures for floods, landslides, earthquakes, and other natural disasters.

## Improvement in the Business and Investment Environment

The Western Balkans, Moldova, and Ukraine are expected to emerge as exporters to EU countries. In addition, the Western Balkans are extensive markets, with a total population exceeding 50 million and a relatively high per capita GNI figure. There are no tariffs within the region covered by the Central European Free Trade Agreement (CEFTA). In order to leverage these circumstances into economic growth, JICA provides assistance to the Western Balkans, Moldova, and Ukraine by supporting SMEs through technological cooperation.

# **Activities and Initiatives by Issue**

The 2030 Agenda for Sustainable Development sets out a vision for 2030 with a view to ensuring that "no one will be left behind." The 17 Sustainable Development Goals (SDGs) call for action to address a wide range of global issues in economic, environmental, and social dimensions. These issues can be viewed in light of the Five Ps: people, planet, prosperity, peace, and partnership. JICA addresses the Five Ps in nine categories of the issues facing developing countries as shown at right.

End poverty and hunger in all forms and ensure dignity and equality.

**Poverty Reduction** → P.56

**Gender and Development** 

**Human Resource Development** (Education / Social Security / Health)

→ P.64-67

**Rural Development** → P.72-75

Protect our planet's natural resources and climate for future generations.

Climate Change → P.59

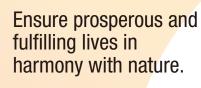
**Global Environment** 

(Natural Environment Conservation / **Environmental Man**agement / Water Resources / Disaster Risk Reduction)

 $\rightarrow$  P.68-71



Photos for People and Planet are by Kenshiro Imamura. Photo for Prosperity is by Shinichi Kuno. Photos for Partnership and Peace are by Takeshi Kuno.





# **Infrastructure**

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

→ P.60-63

# **Industria**l Development and Public Policy

(Private Sector Development / Energy and Mining / Governance)

→ P.76-79

**Prosperity** 

People

SDGs Five Ps

**Partnership** 

Implement the agenda through a solid global partnership.

**Planet** 

Peace

Foster peaceful, just and inclusive societies.

Peacebuilding → P.57



# **Poverty Reduction**

# Supporting the Development of the Essential Capabilities of the Poor



































Of the 17 Sustainable Development Goals (SDGs), relevant goals are shown in color

The proportion of the poor in developing countries as a whole has declined from 47% in 1990 to 14% in 2015 due in part to economic development in Asia. Nonetheless, around 35% of the population in Sub-Saharan Africa still suffers from poverty. About 700 million people around the world are still in poverty, living on less than \$1.90 a day. Moreover, those people freed from poverty still remain in a vulnerable situation, easily brought back into poverty if they experience negative events such as illnesses, accidents, political conflicts, natural disasters, and market changes.

JICA promotes human security, aiming to realize a world where no one is left behind or excluded from the benefits of development, as the Sustainable Development Goals (SDGs) address in their principles.

#### Overview of the Issue

During the course of pursuing the Millennium Development Goals (MDGs), it was revealed that those living in poverty or barely freed from poverty are still facing various risks, and in order to respond to these problems, it is necessary to take measures on social security, protection, and capacity development in various areas. Large-scale natural disasters and environmental destruction as well as terrorism and financial crises seriously affect the lives of the poor, and increase and expand poverty. To cope with these risk factors and promote poverty reduction, versatile and flexible approaches are required.

The definition of 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 living in poverty to escape it by reinforcing these five capabilities and supporting the development of an environment in which these capabilities can be manifested. JICA formulates and implements its projects in developing countries in the areas of human resources development and capacity building, improvement of policies and institutions, and development of social and economic infrastructure, centering on the following two concepts: (1) "poverty measures" that aim to directly assist the poor, and (2) "poverty considerations" that do not directly assist the poor but incorporate creative approaches that will increase the projects'



In 2013, Typhoon Haiyan hit the Philippines and inflicted serious damage on small-scale farmers in Eastern Visayan in the central region of the country. With its Partnership Program, JICA has been endeavoring to improve farmers' livelihood management ability by supporting microfinance institutions with the development of loans for the agricultural industry and financial services with lower risks. The photo shows affected farmers presenting their financial needs in a JICA

benefits to the poor.

Supporting poor people's access to various quality financial services and active utilization, stabilization of consumption and expenditure, asset formation, responses to risks, and income diversification and income growth, JICA encourages their stable livelihood and participation in the market economy.

Initiatives addressing poverty should be undertaken through a multi-sectoral approach, beyond conventional project processes, and diverse entities other than governmental agencies should play even more important roles. Thus, in addition to receiving support from governmental agencies and collaboration from civil society, JICA will actively promote partnerships with private-sector actors in Japan and abroad in order to support poverty reduction.

# **Peacebuilding**

From Prevention of Conflict Recurrence to the Consolidation of Peace, State Building, and Restoration



Of the 17 Sustainable Development Goals (SDGs), relevant goals are shown in color.

In recent conflicts, citizens are the major victims, and many post-conflict countries relapse into conflicts without achieving stability and development. The citizens displaced by armed conflicts who flee to other countries often put heavy burden on the countries hosting them.

JICA's peacebuilding assistance focuses on socioeconomic development that brings solutions in the face of social disparities and unequal opportunities as well as on capacity building of relevant stakeholders, including politicians, administrators, and judiciaries, in order to help establish confidence between government and citizens.

#### Overview of the Issue

Armed conflicts destroy infrastructure, force people to be displaced, break up bonds of the communities, and sometimes causes mutual distrust and friction among neighborhoods. In such countries, public services are suspended and governments lose confidence from their citizens. Reconstruction of economies and societies requires long-term effort as whole social systems have collapsed and the poverty of vulnerable people have been aggravated.

In order to prevent conflicts and consolidate peace, military interventions and political measures such as preventive diplomacy are necessary. Establishment of stable states requires reconstruction of infrastructure that will support people's lives and economic reconstruction, as well as institution and capacity building of government that can fairly address people's needs, empowering communities and people.

## JICA Activities

Aiming at building a state where violent conflicts will not occur or recur, through establishment of a government trusted by its citizens and development of resilient societies, JICA provides cooperation to alleviate difficulties faced by the people affected during and immediately after a conflict, together with support to achieve stable development over the medium and long term.

At the immediate post-conflict stage, JICA provides assistance for rehabilitation of governmental services. Basic administrative functions disrupted by the conflict must be restored swiftly. JICA's assistance is intended to fulfill people's heightened expectations following the peace agreement, while restoring confidence between people and the government. Lately, conflicts can often be very lengthy and extensive, causing internal displacement and outflows of refugees. In addition to assistance for these internally displaced persons and refugees, support for their host countries and communities is also among JICA's important activities [ > see Case Studies at right and on page 52].

Colombia

Project on Capacity Development on Information Security Management of Land Information System for Land Restitution Policy Promotion



# Assistance for Land Restitution to Encourage Displaced People to Return Home

On November 30, 2016, a peace agreement was reached between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC), bringing an end to the internal armed conflict that continued for about 50 years. More than 6 million Colombians are said to be displaced due to this conflict. Since many of them have fled to urban areas and come to live on uninhabitable mountainsides, establishing social systems and improving living environment are strongly required to restore their life.

In 2011, the epoch-making Victims and Land Restitution Act defined victims and stipulated the restoration of land titles forcibly taken by rebels, and the Land Restitution Unit, a special administrative body of the Ministry of Agriculture and Rural Development, began developing land information management systems. However, since registration required sensitive information, including applicants' personal details and land seizure, applicants may run into danger if the information leaks. So it is definitely necessary to strictly maintain information security.

JICA provided technical assistance to enhance information security management by holding seminars for engineers responsible for system development and officials engaged in system operations and management, and conducting training in Japan to share information on land management and other efforts undertaken for reconstruction from the Great East Japan Earthquake in Iwaki City, Fukushima Prefecture. JICA has continued supporting these restoration efforts

for the consolidation of peace in Colombia.



A JICA training session for system designers of land information management

# **Gender and Development**

Clarifying Gender Responsive Development Issues, Needs, and Impacts



































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. In the Sustainable Development Goals (SDGs), Goal 5, Gender Equality, focuses on achieving gender equality and empowering all women and girls. Not simply positioned as one of the 17 goals, this goal is recognized as the indispensable common subject necessary for the achievement of all the development goals.

JICA promotes gender mainstreaming, a comprehensive approach to incorporate the perspective of gender in all stages of its cooperation projects to clarify gender responsive development issues, needs, and impacts.

## Overview of the Issue

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, the conventional wisdom and social system in the modern world are likely to be formed based on a male perspective.

Thus, it is essential to make efforts to ensure that policies and systems adopt a gender perspective by collecting and analyzing data on the gaps and power relationships among men and women. This process is called gender mainstreaming, and it requires indispensable efforts to change people's consciousness and actions.

#### JICA Activities

JICA extends cooperation to create policies and systems that promote gender equality, to boost empowerment of women through activities including maternal and child health promotion, education for women, support to female entrepreneurs, capacity building to cope with violence against women, and support for security, and training for victims of human trafficking\* [ → see the Case Study at right]. At the same time, efforts are made in various other fields to run projects in a manner that the gender perspective is reflected in the results and actions that should be achieved through the projects.

For example, JICA's training course Gender and Diversity in Disaster Risk Reduction addresses disaster risk reduction from gender and diversity perspectives. Based on the fact that more women than men have actually been affected in past natural disasters, JICA aims to develop professionals through this training so that the voices of people in diverse situations, including women, can be reflected in the planning processes of disasterprevention measures.

\*Human trafficking is a serious human rights violation and takes various forms, such as sexual exploitation, which includes forced prostitution and marriage, and labor exploitation, including forced labor in factories, on fishing boats, and in households. Women and children especially are more likely to be affected.

Support for Victims of Trafficking in **Greater Mekong Sub-regional Countries** 





# Strengthening Collaboration with **Relevant Agencies and Neighboring Countries to Assist Affected Women in Building New Lives**

Human trafficking\* is the criminal act of exploiting vulnerable people utilizing violence, threat, fraud, and other means, and cases are becoming more serious year by year as more and more people move within the Asia region as a result of economic development in Asia.

Following JICA's Project on Strengthening Multi-Disciplinary Teams (MDT) for Protection of Trafficked Persons in Thailand, conducted for five years from 2009 to 2014, the Project on Capacity Development on Assisting Victims of Trafficking in the Greater Mekong Sub-regional Countries is running from 2015 to 2019. MDTs formed by the Thai government consist of personnel from relevant governmental agencies and private organizations, and the team plays important roles in a broad range of responsibilities, such as the protection of victims, medical and financial assistance, rehabilitation for victims to adapt to new lives, and the provision of vocational training. The project aims to enhance capabilities of the MDTs as well as the capacity of peer support groups of former victims to support victims' social reintegration.

Expanding these initiatives outside Thailand, JICA organizes anti-trafficking workshops near the Thai borders with MDTs of neighboring Myanmar or Laos in order to encourage bilateral cooperation between each of these countries and Thailand. Also, in an effort to tackle issues jointly with other neighboring countries, every year JICA organizes the Mekong Regional Workshop, in which information is

shared and exchanged concerning measures against human trafficking taken in each country.

Thai-Lao border.

A workshop for members of Lao MDT is held near the



# **Climate Change**

# **Tackling the Global Climate Challenge**

































Climate change is one of the major challenges of our time, posing a substantial threat to human security, stability, and prosperity across our societies.

JICA incorporates climate change considerations into projects and programs in various sectors, and uses diverse aid schemes to meet the needs of each partner country.

## Overview of the Issue and JICA Activities

The world took a major step to fight climate change in December 2015, when the Paris Agreement was adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) as the new international framework to replace the Kyoto Protocol. Moreover, "Climate Action," as one of the 17 Sustainable Development Goals (SDGs), was set forth to take urgent action to combat climate change and its impacts. Behind these moves was the growing awareness that climate change is causing various threats, including more frequent extreme weather events and natural disasters.

JICA has developed climate change cooperation strategies, with focus on four priority issues, as noted below .:

# 1. Promoting low-carbon, climate-resilient urban development and infrastructure investment

JICA is supporting development of low-carbon and climateresilient infrastructure, particularly in developing countries with fast-growing economies.

## 2. Enhancing comprehensive climate risk management

Climate change is now affecting every country on every continent, thus it is critical to consider the prevention and reduction of future climate-related risks. JICA promotes comprehensive risk management through an integrated approach, across various areas including disaster risk management and food and water security.

## 3. Supporting climate policy and institutional development

Climate change measures require long-term commitment, and JICA supports developing countries to develop their capacity to plan, implement, monitor and improve climate actions.

# 4. Enhancing conservation and management of forests and other ecosystems

Land use change as well as degradation and loss of forests and other ecosystems account for up to 30% of global cumulative anthropogenic GHG emissions. JICA is promoting sustainable forest management through, for example, strengthening the capacity of community-based forest management [→ see the Case Study on page 38].

African Initiative for **Combating Desertification to** Strengthen Resilience to Climate Change in the Sahel and the Horn of







# **Collaboration among Development Partners to Support African Countries in Combatting Desertification**

The Sahel and Horn of Africa region faces mounting developing challenges. People in the region are heavily dependent on natural resources. Drought and desertification are causing water shortages and environmental degradation, further exacerbating poverty. Poverty in the region constitutes a major factor for growing refugeeism and violent extremism, thus destabilizing the world. Regions exposed to drought and desertification are also vulnerable to climate change, which in turn accelerates desertification. Desertification is believed to be a factor for climate change. Appropriate response to desertification is urgently required as a way to strengthen resilience to regional climate change as well as to combat global climate change.

In August 2016, the governments of Kenya and Senegal, JICA, and the United Nations Convention to Combat Desertification (UNCCD) jointly launched this initiative during the Sixth Tokyo International Conference on African Development (TICAD VI) in Nairobi. The initiative is designed to facilitate measures against desertification through networking, knowledge-sharing, and improved access to development financing for the target countries, thereby helping to eradicate regional poverty and supporting regional sustainable development as part of efforts to build a more stable world. The initiative is built both on ownership by countries in Africa and on partnerships among development partners, including JICA, the Food and Agriculture Organization of the United Nations (FAO), and the Global Environment Facility (GEF).



At TICAD VI, JICA cohosted a side event designed to identify challenges in addressing desertification and discuss ways to promote the initiative

# **Priority Issues and Activities**

# **Infrastructure**

# **Realizing Resilient and Sustainable Societies**

1 POVERTY 2 PRINCES





























. Viet Nam: A construction site of the Ho Chi Minh City Urban Railway Line 1, between Opera House and Ba Son stations. An underground tunnel is being constructed with the shield tunneling method.

#### **Sectoral Issues**

- Building a universal infrastructure that supports quality growth and life, as well as realizing sustainable cities that coexist with the global environment, is an ongoing issue.
- In relation to natural hazards, swift reconstruction as well as resilient cities and infrastructure are vital.
- The strategic use of ICT is essential in addressing all kinds of issues.

## Fiscal 2016 Initiatives

JICA implemented a range of programs using Japanese expertise and technology and in cooperation with various actors. These efforts are best represented by a number of projects by JICA, including the Project for Urban Development Master Plan for Managua City in Nicaragua, the Project on Capacity Building for Information Security in Indonesia, the Project for Formulation of Master Plan on Logistics in Northern Economic Corridor in Kenya and Uganda, and cooperation for the high speed railway in India.

#### **Future Cooperation**

- Infrastructure development that underpins "quality growth" in cooperation with private companies, local governments, and various other actors.
- Further cooperation for realizing eco-friendly sustainable cities.
- Cooperation that will strengthen the trust relationship and networks that have been developed over many years with developing countries, and facilitate growth supported by co-creation and mutual learning.

# **Urban and Regional Development**

# Overview of the Issue

The world's population, which stood at 3.69 billion in 1970, exceeded 7.3 billion by 2015. This increase was mainly due to population growth in developing countries, especially in urban areas. The total urban population in the developing world jumped fourfold from 0.68 billion in 1970 to 2.97 billion in 2015. By 2050, it is expected to reach 5.23 billion, more than half of the projected world population of 9.55 billion.

Although cities can be an engine for economic growth, those in the developing world increasingly fail to deliver what is expected of them. Unable to cope appropriately with rapid population growth, cities are facing such challenges as lack of urban infrastructure, a deteriorating living environment, growing vulnerability to natural disasters, and widening economic disparities.

Disparities between urban and rural areas may also accelerate the rural exodus to cities and lead to more regional disparities, creating a vicious circle. Thus, cities and their surrounding areas are closely related to each other. This highlights the need to get an overall picture of the country or region and address urban and regional problems which are interconnected.

In addition, it would not be possible to achieve the Sustainable Development Goals (SDGs) or solve the problem of global warming without the wholesome growth of cities, where much of the world's population is concentrated. There is a need to expedite the process of urban and regional development with a view to addressing the dual challenges of achieving socioeconomic development and conserving the global environment so that future generations will be able to live with peace of mind.

#### JICA Activities

JICA provides assistance that is fine-tuned to meet the needs of each city by capitalizing on Japan's experience in overcoming powerful natural disasters and rapid urbanization that have no parallel in the world. Also, "the Corridor Approach," carried out as a method for regional development, is designed to promote regional economic development through consolidating a national axis that functions as a key to economic growth. With an aim to support broad-based project deployments focusing on strategic infrastructure development, industrial location, and efficient logistics, this method has been receiving attention as an unconventional and epoch-making effort for developing countries.

To help developing countries to achieve sustainable urban and regional development, JICA focuses on the following aspects:

#### **Urban Development**

- 1. Well-planned urban development that contributes to economic activity
- 2. Establishing a good-quality living environment
- 3. Establishing low-carbon cities
- 4. Establishing disaster-resilient cities
- 5. Establishing sound city management systems
- 6. Achieving post-conflict revitalization of cities

#### **Regional Development**

- Building regional development with a longer-term development vision and/or a growth scenario
- 2. Promoting regional economic development and attracting investment
- 3. Developing inclusive and efficient infrastructure, including social infrastructure
- 4. Strengthening regional socioeconomic connectivity and reducing regional disparities
- Building the structure and capacity to implement regional development

# **Directions for Cooperation**

To provide fundamental solutions to the problems cities and regions are facing in developing countries, JICA will analyze the actual situation and issues in the city/region in question and put forward strategies and approaches as a comprehensive program that suits that city/region. To this end, JICA will flexibly combine various available aid modalities, including technical cooperation, Grants, and Finance and Investment Cooperation.

It is important to meet different needs for urban and regional development in developing countries, ranging from the formulation of development plans to the operation and maintenance of urban facilities. The essential requirements to this end include legal system development as well as capacity development for the implementing agencies and their staff responsible for urban

and regional development. Accordingly, JICA will address these aspects as well.

# **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 eradication. For the eradication of poverty and to achieve sustainable economic growth, it is indispensable to provide transportation service that facilitates the efficient movement of people and goods.

There is strong demand for transportation infrastructure worldwide. It is necessary to ensure efficient and sustained transportation services by promoting private-sector collaboration; prolonging the lives of existing facilities through better maintenance, repair, and replacement; and making efficient use of infrastructure assets. Sustainable utilization of infrastructure requires improving and consolidating operation and maintenance arrangements as well as ensuring sustained utilization of relevant systems and technologies. These two requirements, in turn, urgently call for training core personnel such as government officials, among other measures.

## 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 socioeconomic activities through attainment of swift, smooth, and safe transportation of people and goods.

In order to efficiently develop the transportation and road sector, building roads and bridges alone is not enough. This is why JICA's development cooperation also involves assistance designed to make wise use of developed infrastructure. There are a growing number of cases where large cities in developing countries fail to supply transport services that meet the fast-growing demand for infrastructure due to rapid population concentration. To help make efficient use of existing infrastructure, JICA supports not only physical infrastructure development ("hardware" assistance) and technical cooperation for such development ("software" assistance) but also human resources development that involves training personnel responsible for operating and maintaining the developed infrastructure, building organizational structures for facilitating users' altered awareness and educating them, and promoting awareness-raising activities ("humanware" assistance).

In addition, JICA has embarked on a new type of assistance designed to support infrastructure development projects that are unprecedented in scale and intent on introducing state-of-the-art technology. This type of assistance involves partner countries as program partners as it entails institution building and standards setting as well as human resources development. A case in point is a high speed railway project in India. This particular project is

supported by "all-Japan" efforts with Japan's public and private sectors working as one. This represents a new dimension of the country's development assistance.

Security-related development assistance is yet another new dimension of Japan's ODA. In accordance with the National Security Strategy (NSS), which was endorsed by the Cabinet in December 2013, JICA provides assistance to countries along the sea lanes that are of strategic importance to Japan's economic activity and national security. In cooperation with the Japan

Human Resources Development for Road Asset Management and Maritime Safety and Security Policy





# Strategically Developing Core Personnel Who Support the Future of the Transportation Sector

JICA devises ingenious ways to sustain the outcomes of technical cooperation in transportation as well as other sectors.

JICA is now providing technical cooperation for the maintenance of roads and bridges in a total of 19 developing countries. Yet allocations of financial and human resources to such maintenance have been inadequate in many of these countries. This has prompted JICA to pay attention to Nagasaki Prefecture's *michimori* (road keeper) project designed to train personnel that will help prolong the lives of roads and bridges. Since 2016, JICA has been providing such training in cooperation with Nagasaki University. In 2017, JICA plans to work with other universities in Japan to accept fast-track junior officials from the 19 countries as foreign students.

JICA has been training personnel who will play a pivotal role in maritime safety and security as well. In September 2016, eight maritime safety and security officials from ASEAN countries completed a master's course program jointly offered by the National Graduate Institute for Policy Studies and the Japan Coast Guard Academy. The one-year program allowed the eight participants to acquire advanced skills in planning and proposing maritime safety and security policies in order to play a core role in maritime safety and security in their countries. The program also provided opportunities for mutual understanding and exchanges among maritime authorities of the participating countries and Japan. Expectations are high that these participants will help to strengthen cooperation in ensuring maritime safety and security among these countries and contribute to maintaining and developing international maritime order.



Participants in the Maritime Safety and Security Policy Program jump for joy under a cherry tree in bloom. (Photo: Japan Coast Guard)

Coast Guard, JICA assists these countries in enhancing maritime security capabilities by providing related equipment and training [ \( \infty \) see the Case Study at the bottom left].

# G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment

At the Ise-Shima Summit in May 2016, the G7 leaders adopted the G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment, among other outcome documents. This document calls on Japan and the other G7 countries to provide assistance related to infrastructure investment and development so as to contribute to the global efforts for the SDGs in accordance with five principles, some of which include ensuring safety and resilience as well as economic efficiency, ensuring job creation for local communities, and addressing social and environmental impacts.

In line with these principles, JICA will provide assistance at multiple levels to close the global infrastructure gap in transportation. This will involve "international transportation" that spans national borders, "national transportation" that ensures balanced development, "urban transportation" that supports sustainable urban development by improving urban mobility, and "rural transportation" that improves living standards of rural areas, as well as assistance that underlies all types of development and maintenance—most notably, capacity development for government agencies of developing countries and training of personnel who will support the future of these countries [ ] see the Case Study on page 28].

# Information and Communication Technology (ICT)

# Overview of the Issue

Information and communication technology (ICT) has been advancing rapidly throughout the world. ICT is common infrastructure and an effective tool to solve social issues. ICT has been used in administrative, social, and economic fields: 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.

ICT is able to save time by introducing various technologies and streamlining processes, to achieve development regardless of distance through networking, and to create developing countries' own distinctive services. Therefore, utilization and application of ICT for various social issues beyond the limitations of time and distance is expected to facilitate more efficient and effective project implementation.

In many developing countries, the rapid spread of broadband Internet and mobile Internet (3G or LTE) services has primarily been seen in urban areas. However, when viewing such countries as a whole, the spread of ICT infrastructure and utilization of ICT have been slow in some respects. This leads to a digital divide with developed countries and an ICT gap between urban and rural areas within countries, resulting in a structure of widening economic disparity.

In recent years, developing countries have been facing the issue of how to address cyber security—a global challenge that is difficult to tackle only at the national level. Inadequate policies, institutional arrangements, and security measures render developing countries more vulnerable to cyber threats. They have difficulty building protection against such threats on their own.

#### JICA Activities

JICA's development strategy in the ICT sector comprises four components: improvement of ICT policy-making capacity, development of human resources to support ICT, development of ICT infrastructure, and promotion of use and application of ICT.

This development strategy has been translated into specific measures, including dispatching advisers on digitalization of terrestrial television broadcasting, supporting the training of cybersecurity engineers, developing backbone communication networks, and delivering assistance with the use and application of ICT in sectors such as education, industrial promotion, and disaster risk reduction [ >> see Case Studies at right and on page 30]. In the cyber security sector, JICA works with the framework of cooperation between the Japanese government and ASEAN member states, namely, the Japan-ASEAN Ministerial Policy Meeting on Cyber Security Cooperation, to assist these countries in building their cyber security capacities, thereby contributing to safe and secure cyberspace.

#### **ICT Policies Linked to Social and Economic Development**

The use of ICT is called for in the newly agreed Sustainable Development Goals (SDGs). In fact, ICT is increasingly applied for development purposes in developing countries where this technology is spreading. In view of these developments, JICA is currently considering industry-based solutions, business-enabling solutions, and incubating solutions to further promote the use and application of ICT in relevant development sectors in developing countries.

- (1) Industry-based solutions: providing ICT service as a package to address problems in developing countries, utilizing ICT solutions used in Japan and other countries (i.e. intelligent transportation system [ITS] and disaster risk communication)
- (2) Business-enabling solutions: proposing utilization of ICT service as a tool to further improve the effectiveness of existing projects (i.e. an e-learning system, remote medical care, smart cities, and an agriculture market information distribution system)
- (3) Incubating solutions: utilizing ICT to support the setup of new projects, services, etc. in developing countries (i.e. an incubation center utilizing ICT, and a settlement service for developing countries)

Case Stu

Jamaica: The Project for Improvement of Emergency Communication System Preparatory Survey





# Building a Robust Emergency Communication System for Disaster Risk Reduction

JICA is assisting this disaster-prone island nation in developing a digital radio communication network, thereby contributing to achieving two SDGs: Goal 11, making cities and human settlements inclusive, safe, resilient and sustainable; and Goal 13, taking urgent action to combat climate change and its impacts.

An island country in the Caribbean Sea, Jamaica is situated in the Atlantic Ocean hurricane belt, and major hurricanes and tropical rainstorms often cause flooding and landslides, taking a toll on human life and infrastructure in the country. The existing radio communication network for disaster risk reduction (DRR) is underused due to inadequate channel availability and radio coverage. This makes warning, damage assessment, and response untimely.

JICA has recently completed a preparatory survey for the subsequent Grant for developing a digital radio communication system for DRR and early warning systems throughout Jamaica. Based on the findings of the survey, the Grant project will put in place 24 radio repeater stations, 15 integrated command and control stations, 1,256 two-way radio terminals, and 15 local early warning systems. This is expected to make timely and stable communication possible across Jamaica in times of disaster, thereby reducing damage.



A pylon on which a digital radio antenna will be mounted. A total of 24 such pylons will be constructed throughout the country.

# Priority Issues and Activitie

# **Human Resource Development**

**Quality Health and Education Are Key to Human Security** 



































Zambia: Students work on a science experiment at the Malcolm Moffat College of Education in the Project for Improvement of Pedagogical Content Knowledge: Linking Pre-Service and In-Service Education

#### **Sectoral Issues**

- Two out of every five primary school-age children lack basic literacy and numeracy skills.
- Many people in the world lack access to basic health services. Every year, 100 million people are pushed into poverty because of health-care costs
- Efforts also need to be made to cope with an aging population.

#### **Fiscal 2016 Initiatives**

- JICA took advantage of Japan's strengths to support institution building and human resources development for providing all people of all ages—including women, the poor, persons with disabilities and conflict-affected people—with access to quality education, health services (universal health coverage or UHC\*), and social security.
- JICA actively shared its activities at international conferences such as the G7 Summit and the Sixth Tokyo International Conference on African Development (TICAD VI).

## **Future Cooperation**

- Taking a holistic view of the education sector, JICA will help developing countries provide quality *learning continuity* according to people's different needs.
- In the health sector, JICA will capitalize on Japan's experiences and strengths to assist developing countries in building the capacity to achieve UHC through global mutual learning.
- In social security, JICA will focus on institution building that is essential for ensuring inclusiveness, social participation of persons with disabilities, and active aging.

# **Education**

# Overview of the Issue

Education is a fundamental human right that everyone must enjoy; it is an enabler for achieving all the other Sustainable Development Goals (SDGs). In addition, education lays foundations for a peaceful and inclusive society by fostering understanding of diverse cultures and values.

However, 58 million primary school-age children worldwide still remain out of school (UNESCO, 2015). It is estimated that at least 250 million children have failed to acquire basic literacy and numeracy skills (UNESCO, 2014). In addition, there are disparities in education due to the factors associated with poverty, gender, disability, ethnicity, language, and place of residence. Ensuring quality education for all children is high on the agenda.

Furthermore, global youth unemployment has been on an upward trend, with some 225 million not in education, employment, or vocational training (ILO, 2014). It is necessary to expand access to technical and vocational education and training and improve their quality.

While access to higher education has been improving steadily, with the gross enrollment ratio jumping 16% in 2004 to 29% in 2014 (UNESCO, 2015), the pace of developing the teaching force, upgrading educational facilities and equipment, and securing research funds is lagging behind, leaving significant challenges

in terms of the quality of higher education and research.

#### JICA Activities

Taking a holistic view of the education sector—ranging from pre-primary, primary and secondary, technical and vocational education and training, to higher education and non-formal education—JICA assists the partner countries in achieving quality learning continuity to meet each individual's learning needs [ > see the Case Study on page 52].

#### 1. Improvement in Children's Learning

JICA provides assistance to ensure that children acquire not only basic skills but also the ability to learn and think independently and enhance their motivation for continuous learning, while respecting the perspectives of partner countries and their societies. Paying attention to the consistency and coherence between curriculum, textbooks, teaching and learning materials, lessons, and assessment, JICA provides comprehensive solutions to improve children's learning [ >> see the Case Study at right]. Furthermore, JICA conducts education-sector diagnosis for each partner country and delivers integrated assistance that involves developing education policies and systems, improving the learning environment and school-based management (SBM), and training teaching personnel in an optimal mix.

# 2. Human Resources Development for Innovation and Industrial Development

Higher education institutions are expected to train people who can come up with innovations in order to address a range of issues that are increasingly sophisticated and complex amid globalization and the transition to a knowledge-based society. To support this, JICA assists in establishing—and building the capacities of—universities that play a pivotal role in partner countries, strengthening networks among universities, and building institutions for assuring the quality of education. A primary focus is placed on engineering education, in which Japan has vast experience.

In order to train industry-ready personnel as well as engineers and technicians who can flexibly and skillfully meet the needs of the private sector, JICA also takes advantage of Japan's experiences in education (including those surrounding technical colleges) toward assisting developing countries in promoting industry-academia collaboration, increasing access to technical education and vocational training (TEVT), and improving the quality of TEVT. In addition, JICA supports human resources development that contributes to enhanced functions of public administration, a stronger foundation for socioeconomic development, and a harmonious relationship between Japan and partner countries [ • see the Case Study on page 31].

#### 3. Education for Building Inclusive and Peaceful Societies

Toward the realization of the SDGs' aim of realizing a world in which no one will be left behind, JICA steps up its efforts to reach socially and culturally vulnerable and disadvantaged populations and incorporates a gender and disability-sensitive and pro-poor approach into all its programs and projects in the education sector.

Specific focus is placed on bolstering girls' education as well as on addressing inclusion from both tangible and intangible aspects in the context of disabilities and education. JICA assists disaster and conflict-affected countries in providing a safe learning environment as well as helping public administrators develop their capacity through its scholarship programs to become a driving force behind post-disaster recovery and the development process. In areas where out-of-school children and illiterate people face challenges, JICA will broaden its partnership with other sectors in order to provide non-formal education support in literacy and life skills

Case Stu

Myanmar: The Project for Curriculum Reform at Primary Level of Basic Education



# Supporting the Development of Primary School Textbooks and Teacher's Guides on 10 Subjects

In Myanmar, the child-centered approach has been applied in the education sector. Still, lessons on most subjects have long been given based on the textbooks that were compiled some 20 years ago under military rule. Achievement tests are traditionally designed to assess how much pupils have memorized things. The learning environment is not conducive to encouraging pupils to study on their own.

Following the transition to civilian rule in 2011, Myanmar's Ministry of Education embarked on comprehensive institutional reforms that covered curricula, textbooks, pre-service and in-service teacher training, and achievement tests (assessment).

JICA provides integrated assistance that involves the development of textbooks for all grades in primary school (grade 1-5) on 10 subjects—Myanmar, English, mathematics, science, social studies, morality and civics, life skills, physical education, performing arts, and visual arts—and teacher's guides for these textbooks, as well as offering induction training for teachers and pre-service training at Education Colleges.

The textbooks for the first grade and associated teacher's guides that were developed with assistance from JICA were distributed among 1.3 million pupils and 60,000 class teachers across the country for the new academic year that began in June 2017. Textbooks for all grades in primary schools and teacher's guides will be developed by 2021. New textbooks are expected to allow pupils across the country to acquire the ability to think and solve problems on their own.



# **Social Security**

#### Overview of the Issue

Social security is not only an internationally established human right but also a means to create a more stable society through reducing poverty and enabling people to live a secure life. From a viewpoint of improving the quality of lives of all citizens, formation of social security systems, such as health insurance and pensions, is a pressing policy issue in developing countries too. The populations of many middle-income countries, particularly in Southeast Asia, are aging at a rapid rate, and it has become necessary to cope with emerging needs, including long-term care services for the elderly.

Furthermore, participation of socially vulnerable people, including persons with disabilities, in communities and in economic activities will lead to forming a country with inclusive and sustainable growth and vitality. The Convention on the Rights of Persons with Disabilities, ratified by more than 162 countries, including Japan, stipulates that participation of persons with disabilities must be secured in international cooperation activities. The elimination of social, cultural, economic, political, or physical barriers that prevent persons with disabilities from social participation is a major challenge.

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. Believed to be a remote cause of the Arab Spring, it is also necessary to address the problem of youth unemployment.

#### JICA Activities

Based on Japan's knowledge and experience in social security, JICA is implementing activities aimed at improving social security in developing countries particularly focusing on the following three areas:

## 1. Social Insurance and Social Welfare

In recent years, there has been a strong interest in Japan's experience in dealing with an aging society, as a country that faced similar challenges slightly earlier, particularly among middle-income countries in Asia. JICA supports the development of social insurance systems such as health insurance and income security, including pension insurance, as well as strengthening social welfare policies and long-term care services for the elderly. In these areas, JICA provides information about the establishment of Japan's social security systems and exchanges opinions with concerned personnel.

#### 2. Disability and Development

JICA views persons with disabilities as important contributors to development. It aims at realizing the full participation and equality of such persons in developing countries, with emphasis on cooperation that ensures their active participation in society. Reflecting the perspective of disability in all of its development activities, JICA focuses on such specific aspects as (1) mainstreaming disability by engaging persons with disabilities as beneficiaries and contributors; (2) empowering persons with

disabilities through leadership training and capacity building for their organizations; and (3) improving physical and information accessibility.

#### 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. JICA is also supporting the development of career guidance systems aimed at promoting youth employment.

# Health

#### Overview of the Issue and JICA Activities

Many people in the developing world lose their lives due to inadequate access to health care. In efforts to achieve SDG Goal 3, good health and well-being for all, JICA has compiled guiding principles specifically focusing on attaining universal health coverage (UHC).\* To this end, JICA works with various actors—including international organizations such as the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF), multilateral development banks such as the World Bank, bilateral donors, and private foundations—to address the following issues.

#### \*Universal Health Coverage: UHC

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."

#### 1. Health Systems Strengthening

"Health systems strengthening" is defined as a process to improve and expand the structural foundation, such as administration and finance, human resources, facilities, materials and equipment that provides both public health and medical services to people in need. Health systems strengthening is essential to achieve UHC, which aims both at preventing financial catastrophe due to health expenditure and at addressing geographic, financial, and sociocultural barriers to essential health services.

JICA has contributed to advocating UHC in global health and development through many international conferences and events. Eventually, achieving UHC was explicitly incorporated into the SDGs. In the preparation process of the G7 Ise-Shima Summit in May 2016, JICA took part in a Japanese research group to provide technical suggestions, which led to contribution to global advocacy. At the Sixth Tokyo International Conference on African Development (TICAD VI) held in August 2016 in Kenya, JICA, together with the World Bank, the World Health Organization (WHO), the Japanese government, and others, announced "UHC in Africa: A Framework for Action" [→ see the Case Study on page 67].

To steadily deliver on globally agreed goals, JICA also puts effort into bilateral cooperation. In Senegal, for example, JICA conducted a technical cooperation project designed to replicate

a model for a comprehensive continuum of care for maternal and child health (MCH) across the country. In addition to this project, the followings were also implemented; dispatching experts to the central ministry of health, providing development policy loans, and inviting Senegalese officials responsible for policies and systems to Japan for training. JICA also promoted mutual learning across countries. This is represented by a technical cooperation in Thailand and a third country training program in Egypt, training of trainers on KAIZEN in Tanzania, and a Latin American international health forum in the Dominican Republic.

#### 2. Improving Maternal and Child Health

Approximately 99% of pregnant women who die during pregnancy or childbirth and the children who die before reaching their fifth birthday live in developing countries, indicating that the health and wellbeing of pregnant women and young children is a most serious issue in developing countries.

JICA has been extending its cooperation to many countries to make comprehensive "continuum of care for maternal and child health" more widespread and sustainable. JICA uses maternal and child health (MCH) as its entry point to strengthen health systems for achieving UHC. Specific measures to this end include building policy-making and operational management capacities for delivering MCH services, strengthening the functions of health facilities, training health service providers, and raising the health awareness of communities. In particular, JICA assists developing countries in introducing an MCH Handbook as a tool for promoting the comprehensive continuum of care for MCH. In November 2016, JICA co-organized an international conference on this tool in Tokyo [→ see page 4]. JICA is now working with WHO to support the formulation of international quidelines on the MHC Handbook.

To address undernutrition among pregnant women and infants, JICA takes part in the Scaling-Up Nutrition (SUN) Movement, a global multiple-actor initiative designed to deliver effective measures for nutrition improvement. JICA provides training for member countries as part of its efforts to develop human resources for this purpose. JICA also trains Japanese potential human resources expected to work for nutrition improvement in developing countries and participates in the Nutrition Japan Public Private Platform as a co-chair to promote more public-private efforts to tackle nutrition problems.

#### 3. Infectious Disease Control

Cases of malaria, HIV infection, and tuberculosis all decreased in number, achieving the relevant targets of the Millennium Development Goals (MDGs). Nevertheless, 9.5 million people in the world die of infection every year (WHO, 2015). Also, the outbreaks of emerging or reemerging infectious diseases such as Ebola virus disease pose a global threat. Accordingly, JICA assists in building robust health systems that are capable of preventing public health crises, such as infectious epidemics, by strengthening laboratory systems and surveillance to comply with the International Health Regulations (IHRs) and that are capable of containing any infectious outbreak and continuing to deliver regular health services without interruption.

Specific measures that have been taken to this end include

building vaccine production and vaccination delivery capacities through technical cooperation and procuring polio vaccines and other supplies through financial assistance, as well as developing rapid diagnosis kits and early warning systems and improving surveillance and laboratory capacities. JICA also contributes to infectious disease control in different regions by working with the regional hub laboratories that JICA has long been supporting. Such laboratories are expected to play an important role in controlling cross-border outbreaks of infectious diseases in Africa, where the networking of laboratories is being accelerated.

Private-sector technologies, including effective vaccines and medicines and rapid diagnostics, are also essential for infectious disease control. These technologies have been introduced in Tuberculosis Control Project Phase 3 which is being implemented in Afghanistan.

C

Co-organizing a TICAD VI Side Event, "UHC in Africa"



# Announcing "UHC in Africa: A framework for Action"

On August 26, 2016, JICA cohosted with the Government of Kenya, the Government of Japan, the World Bank, the World Health Organization (WHO), the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), and the African Union Commission, a side event at the Sixth Tokyo International Conference on African Development (TICAD VI), titled "Universal Health Coverage (UHC) in Africa," and announced UHC in Africa: A Framework for Action, a policy framework for African countries to address UHC.

This event was attended by some 250 people, including many dignitaries. Among them were Mr. Shinzo Abe, Prime Minister of Japan; Mr. William Ruto, Vice President of Kenya; Mr. Macky Sall, President of Senegal; Dr. Tedros Adhanom, Minister of Foreign Affairs of Ethiopia; Dr. Jim Yong Kim, President of the World Bank Group; Dr. Margaret Chan, Director-General of WHO; Dr. Mark Dybul, Executive Director of GFATM; Dr. Akinwumi Adesina, President of the African Development Bank; and Mr. Yasuhisa Shiozaki, Minister of Health, Labour and Welfare of Japan. The participants confirmed their highlevel commitment to achieving UHC in Africa.

Serving as a moderator, JICA President Shinichi Kitaoka shared the progress of collaboration with co-organizers.

Based on this policy framework, JICA will continue its comprehensive cooperation, designed to achieve UHC in Africa, help partner countries improve financial protection and health services, and increase preparedness for health emergencies.



Prime Minister Shinzo Abe and other representatives of participating countries and organizations

# Priority Issues and Activities

# **Global Environment**

Aiming at a Safe Living Environment and a Balance between the Environment and Development



































Iran: Dalmatian Pelicans spend the winter at the Anzali Wetland (Anzali Wetland Ecological Management Project Phase 2) (Photo: Hitoshi Watanabe, Nippon Koei Co., Ltd.)

#### **Sectoral Issues**

- Achieving the Sustainable Development Goals (SDGs) requires further efforts to address global challenges, such as tackling climate change, building a recycling society, controlling water and air pollution, and providing safe water service.
- In the face of frequent natural disasters, disaster risk reduction (DRR) is not only a humanitarian issue but also a great concern related to sustainable development.

#### **Fiscal 2016 Initiatives**

- In climate change mitigation and adaptation, 1,600 people participated in JICA's training programs.
- JICA worked with the Japan Aerospace Exploration Agency (JAXA) and advanced the establishment of a satellite-based tropical forest monitoring system.
- JICA implemented cooperation for safe water supply for 3.01 million people, and sewerage systems and waste management covering 154 cities
- In disaster risk reduction, JICA provided training to 23,000 people.

#### **Future Cooperation**

- JICA will support developing countries toward the implementation of the Paris Agreement, which was adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change.
- JICA will provide cooperation for low-carbon growth, waste management and sewerage systems, water supply, and other cooperation using advanced Japanese technologies and systems.
- In disaster risk reduction, JICA will promote investment in disaster risk reduction, strengthened national disaster management agencies, and Build Back Better in recovery and reconstruction.

# **Natural Environment Conservation**

# Overview of the Issue

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. The world's forest are decreasing by about 3.3 million hectares annually, the equivalent of twice the area of Japan's Shikoku island. It has also been estimated that over 20,000 species of wildlife are at risk of extinction because of excessive use of natural resources, overhunting of wildlife, introduction of alien species, climate change and other factors.<sup>1</sup>

#### JICA Activities

To conserve the natural environment, which is the foundations of human existence, JICA provides cooperation on nature conservation in the following three areas, with the aim of facilitating harmony between the conservation of the natural environment and human activities, while contributing particularly toward attaining SDGs 13, 14 and 15.

# 1. Climate Change Measures through Sustainable Forestry Management and Ecosystems Conservation

Forests provide timber, they also have the function of retaining and providing stable supplies of water, conserving the fertility of soil while absorbing and accumulating greenhouse gas (GHG), i.e. CO<sub>2</sub> and mitigating natural disasters such as floods and landslides. In recent years, forest conservation has been particularly emphasized globally as a measure on climate change. JICA has been working on the initiative called REDD+ (Reducing Emissions from Deforestation and forest Degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries). In 2014, JICA established the Japan Public-Private Platform for REDD+ to promote industry-government-academia collaboration in this field.

# 2. Sustainable Use of Natural Resources to Improve Livelihoods of 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 by excessive usage that destroys the function of nature to reproduce itself. Moreover, sometimes friction occurs between residents and public administrators over the usage and management of resources. JICA has launched the African Initiative for Combating Desertification to Strengthen Resilience to Climate Change for coping with mounting development challenges in the Sahel and the Horn of Africa, and is promoting activities for sustainable utilization of natural resources in surrounding communities and improvement of livelihoods while working cooperatively with partner countries, international organizations, and NGOs [ •> see the Case Study on page 59].

# 3. Conservation of Biodiversity through Management of Protected Areas and Buffer Zones

In protected areas and surrounding buffer zones, JICA is providing various forms of support for the conservation of biodiversity to promote the harmonious coexistence of nature and humans: management and formulating of plans, implementation of surveys and monitoring, capacity building of persons concerned, introduction of ecotourism, and environmental education.

# **Environmental Management**

# Overview of the Issue

Many developing countries are facing more serious environmental problems associated with economic development, population growth, and urbanization. These problems often give rise to health hazards and other menaces that threaten human security. Because many environmental issues involve complex factors in a multilayered manner and are spread over a wide area, it is difficult to find solutions in a short period of time. Moreover, in comparison with infrastructure development, etc., the response to environmental issues is apt to be slow in many cases as outcomes of efforts are hard to detect. The SDGs include many goals in the environmental management sector that concern issues such as water and sanitation, urban development, and sustainable consumption and production.

In consideration of such circumstances, a cross-sectoral and comprehensive perspective is necessary for assistance in the field of environmental management.

# JICA Activities

JICA provides various forms of aid in accordance with the development stage of each developing country or region. Within that process, JICA gives priority to preventive measures and puts emphasis on capacity development with the recognition that building the capacity of organizations and individuals responsible for environmental management is essential.

In fiscal 2017, JICA will focus on the following four strategic areas:

## Assistance in Solid Waste Management and Establishment of a Sound Material-Cycle Society

The amount and composition of solid waste depend largely on the level of economic development of each partner country. This highlights the need to extend assistance according to such stages. Assistance is provided in accordance with the conditions and needs of partner countries or regions. The first stage is to improve public health and sanitation; the second stage is reducing environmental impacts; and the third stage is to establish a sound material-cycle society.

## Assistance in Addressing Pollution of the Water, Air, etc.

JICA assists regulatory and institutional development, as well as capacity development of organizations and human resources, together with assessment of the actual situation. Special priority will be given to (1) offering integrated assistance in both developing sewerage and building the capacity to operate and maintain it; (2) offering assistance in water environment management in urban areas; (3) addressing air pollution, including PM2.5; and (4) addressing mercury pollution and managing chemical substances.

#### 3. Assistance in Addressing Climate Change

JICA establishes a comprehensive framework to provide assistance at three different levels: policy, program, and project levels. JICA is also formulating projects related to prevention, mitigation, and adaptation for climate change.

#### 4. Close Engagement with Stakeholders

In order to facilitate the formulation and implementation of effective projects in environmental management, JICA will work closer with local governments, private businesses, universities and other research institutions, and multilateral donors that have extensive experience and expertise.

## **Water Resources**

#### Overview of the Issue

Water supports human life not only as drinking water and domestic water but also as a vital resource for food production and economic activity. It is estimated, however, that as of 2015, over 2.9 billion people lack access to adequate water. Competition over water resources will likely intensify. In this light, the SDGs include Goal 6, a goal to "ensure availability and sustainable management of water and sanitation for all."

Japan now boasts water service coverage of practically 100%.

The International Union for Conservation of Nature (IUCN) Red List of Threatened Species 2015

It is also one of the most efficient nations in the world in terms of water use. On the other hand, Japan depends on imports for much of its food consumption. This means Japan is relying on water in other countries, including developing countries, in terms of the water necessary to produce such products. This makes Japan responsible for taking part in solving the water resources problems of developing countries.

#### JICA Activities

## 1. Safe Water Supply

JICA combines technical cooperation and financial assistance

Research Project:
"Japan's Experiences on Water Supply Development"



# Putting Japan's Experiences in Water Services, Including Lessons Learned, to Good Use in Providing Assistance to Developing Countries

This research project has compiled past efforts to develop water services in Japan, lessons learned from the process, and many case studies into teaching material for waterworks engineers in developing countries and Japanese people engaged in international cooperation.

Since the establishment of its first modern water supply system in 1887, Japan has addressed the major issue of expanding service coverage and improving service quality, just as many developing countries are doing now. It has overcome a range of challenges, including polluted water sources and skyrocketing water demand in the periods of postwar reconstruction and subsequent rapid economic growth. Today, with water service coverage of virtually 100%, people in Japan enjoy 24-hour access to safe and affordable water services. Japan's experiences in—and lessons learned from—this daunting process serve as useful references for developing countries.

This work was supported by some of the leading waterworks experts in Japan, who served as advisors and editors, as well as by many of the water utilities and other stakeholders in Japan, who provided useful materials and valuable insights based on their experiences.

This study is now publicly available.\* JICA will make active use of it as a textbook in its training and technical cooperation for developing countries and as a medium for communicating Japan's development experiences to trainees from developing countries.

 $^{\star}$  Search the Internet for "Report: Japan's Experiences on Water Supply Development."



A water leakage check by Nagoya City Waterworks and Sewerage Bureau in the aftermath of World War II, circa 1949.

to assist developing countries in providing safe water services through drafting master plans, building the operational and maintenance capacity, and developing facilities. In order to help achieve universal access to safe water as called for in the SDGs, JICA will intensify its cooperation designed to reduce water supply disparities and improve water supply service in its development programs and projects that accommodate the socioeconomic conditions of each partner country [ >> see the Case Study on page 39].

One of the strengths of the Japan's water supply system is its stable and safe water supply under the integrated management system, which covers components from the water source to the tap. In conducting its projects, JICA utilizes Japan's water supply management skills by working with Japanese local governments, which are the water service providers in Japan. As part of its collaboration with Japanese local governments, JICA has compiled valuable information—including efforts to achieve world-class water services, lessons learned, and success factors—into teaching material titled Japan's Experiences on Water Supply Development. JICA will make active use of this material for its programs and projects [ >> see the Case Study at left].

## 2. Water Resources Management

In order to contribute to one of the targets of Goal 6 of the SDGs, that is, to "implement integrated water resources management at all levels," JICA is assisting in developing scientific information on water resources and strengthening the capacity to formulate and implement plans needed for water resources management. Amid growing concerns about the impact of climate change on water resources, JICA is actively promoting science and technology cooperation in assessing climate change impacts and devising adaptation measures through partnerships with universities, among other means.

# **Disaster Risk Reduction**

## Overview of the Issue

In recent years, amidst the rapid progress in social and economic development and population concentration in urban areas, developing countries are especially vulnerable to natural disasters, because of inadequate prior investment in disaster risk reduction (DRR) measures, including city planning and infrastructure development that incorporates DRR perspectives. For this reason, once a large-scale disaster strikes a developing country, the outcomes of development and opportunities for sustainable growth for the country will be lost, making it difficult for the country to untangle itself from the downward spiral of disaster and poverty.

The Sendai Framework for Disaster Risk Reduction 2015–2030, adopted at the Third UN World Conference on Disaster Risk Reduction in 2015, sets out understanding disaster risk, disaster risk governance, investment in DRR and Build Back Better as the priorities for action, which Japan called for based on its experience. Some of the 17 Goals of the SDGs embrace the perspective of DRR, such as "no poverty" and "infrastructure." This bears witness to the fact that the international community has recognized DRR as a condition for addressing any development

challenge.

#### JICA Activities

It is important for national governments in developing countries to understand the negative effects and impacts disasters have on development and economic growth and to promote prior investment in DRR as a risk reduction measure. Thus, JICA places importance on prevention, mitigation, and preparedness phases in extending assistance in DRR. This is aligned with the Sendai Framework for Disaster Risk Reduction 2015–2030. For appropriate implementation of DRR policies and measures, JICA promotes the mainstreaming of DRR in every development project and supports the development of a framework for coordination with stakeholders. If a disaster occurs in a developing country, JICA will assist that country in building a society that is more disaster-resilient than before.

#### 1. Implementation of Risk Reduction Measures for Sustainable Development

In order to reduce casualties and property damage by natural disasters, JICA provides the best mix of structural and nonstructural measures. Issues to be addressed include public-private-academia collaboration, initiatives involving stakeholders at all levels, ranging from the national to community levels and incorporating disaster prevention and mitigation measures into all development projects.

#### 2. Establishment and Strengthening of DRR Governance

Toward building disaster-resilient countries and communities, JICA supports to establish and strengthen DRR governance through the three priorities: (1) legislating a basic law on DRR and establishing an organizational structure responsible for DRR; (2) strengthening the institutional DRR capabilities of the national and local governments by developing plans, standards, and frameworks for DRR; (3) reinforcing organizations and human resources responsible for DRR and promoting relevant studies.

### 3. Correct Understanding of Natural Disaster Risk and Promotion of Common Understanding

Appropriate disaster risk assessment and analysis are essential for studying DRR measures. Furthermore, a common understanding of disaster risks among all the stakeholders will make DRR more effective. For this reason, JICA assists risk assessment and analysis in the policymaking process as well as hazard mapping for better understanding of disaster risks. JICA also assists to promote DRR education and capacity building of communities to carry out DRR activities.

#### 4. Speedy and Effective Preparedness and Response

In order to forecast natural disasters and issue early warnings in a timely manner, JICA assists in (1) improving the forecasting and warning capabilities of government agencies responsible for meteorological observation; and (2) developing evacuation and response systems for appropriate alert and evacuation orders based on the information thus obtained [ > see the Case Study on page 63]. JICA also dispatches Japan Disaster Relief teams to disaster-affected areas for prompt rescue and relief operations [ > see Emergency Disaster Relief on pages 94-95].

#### 5. Seamless Recovery and Reconstruction for a Disaster-Resilient Society

To build a society that is more disaster-resilient than before, based on the concept of Build Back Better, JICA addresses not only the structural aspect such as infrastructure development, but also regulatory and institutional improvements as well as assisting livelihoods. In the process, JICA pursues seamless cooperation that accommodates needs that change over time in different phases, from response to recovery and reconstruction.

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Mainstreaming DRR in the SDGs: Incorporating the DRR Indicators of the Sendai Framework

### Shifting the Characterization of DRR from a Humanitarian Issue to a Development Issue

Over the years, in international forums, JICA and the Japanese government continued to stress the relevance of disaster risk reduction (DRR) as a development issue. As a result, some of the insights and indicators of the Sendai Framework for Disaster Risk Reduction 2015–2030 have been incorporated into several of the Sustainable Development Goals (SDGs).

JICA and the Japanese government jointly played a part in drafting the Sendai Framework, which was agreed on at the UN World Conference on Disaster Risk Reduction in March 2015. The Priorities for Action in the Sendai Framework incorporated three concepts drawn from Japan's experience and knowledge: (1) investment in disaster risk reduction, (2) strengthened national disaster management agencies, and (3) Build Back Better. This was when the international community recognized a shift in the focus of DRR from the humanitarian issue, which stresses postdisaster emergency response, to the development aspect, which emphasizes that DRR is vital for sustainable development. In other words, the international community underscored the importance of reducing disaster losses—which constitute a major impediment to economic development—through DRR.

In September 2015, the United Nations agreed on the 2030 Agenda for Sustainable Development. Several goals of the SDGs set out in the 2030 Agenda incorporated the DRR perspective and adopted indicators identified in the Sendai Framework. DRR is now recognized as an essential component of development.



A Japanese government delegation makes specific suggestions on indicators related to the Sendai Framework in intergovernmental negotiations.

### **Rural Development**

Food and Nutrition Security: A Healthy Life for All

































Uganda: Extension workers practice vegetable harvesting on a demonstration vegetable farm at the Northern Uganda Farmers' Livelihood Improvement Project

#### **Sectoral Issues**

- Malnutrition in infancy undermines physical and cognitive capacities and, by extension, causes economic losses to individuals and states. Agricultural and rural development has a crucial role to play in nutrition improvement.
- Natural disasters aggravated by climate change are causing both food insecurity and economic losses.

#### **Fiscal 2016 Initiatives**

- JICA and the New Partnership for Africa's Development jointly launched a multi-sectoral initiative called the Initiative for Food and Nutrition Security in Africa (IFNA) for the continent, where the number of undernourished people is on the rise.
- JICA provided assistance for climate-smart agriculture and agriculture insurance as part of its efforts to minimize risks associated with climate change and natural disasters, and thus enhance resilience to these risks.

#### **Future Cooperation**

The ultimate goal of food security is to ensure an active and healthy life for all. JICA's assistance in agricultural and rural development will comprehensively address food production, access to food, utilization of food, and the stability of these three aspects.

#### Overview of the Issue

Global food production is greatly affected by climate and other natural environmental factors. In particular, food security in developing countries can be worsened in a lean year, causing heavy damage to the poor in urban areas and to smallholders and fishers in rural areas.

The environment surrounding agricultural and rural development has been diversifying because of factors such as the rapid advance of globalization, climate change, increased food prices, changing food preferences as personal incomes rise, the expanding participation of the private sector, and global competition for farmland. As in many developing countries, farmers account for the majority of the population, and threefourths of impoverished people live in rural areas. Rural residents in developing countries are most easily affected by these changes.

Goal 2 of the Sustainable Development Goals (SDGs) is "Zero Hunger." Ensuring food security, or consistent provision of sufficient food, is the foundation for economic and social stability and an important policy issue.

#### JICA Activities

#### 1. Activities for "Food and Nutrition Security"

The ultimate goal of JICA's assistance for agricultural and rural development in developing countries is to ensure a healthy

#### **JICA's Development Approaches to Food and Nutrition Security**

Four dimensions of food security	Food availability	Food accessibility	Food utilization	Stability
Development approaches (1)–(4) (5) Promoting rural development (common denominator)	(1) Fostering sustainable productivity growth and reducing food losses	(2) Improving food access and strengthening food value chains	(3) Diversifying diet and improving nutrition	(4) Strengthening resilience
(6) Utilizing Japan's expertise and experience (common denominator)	Breeding, cultivation techniques, the Land Improvement District System, aquaculture techniques, etc.	Food safety system One Village, One Product Movement Crop diversification assistance	Livelihood Improvement Program, MHC Handbook, school meals, dietary education, nutritionist certification system	Reservoir construction, extension services based on weather forecasts
Measures for cooperation	Integrated agricultural development programs Rice cultivation (CARD¹) Irrigation Freshwater aquaculture Post-harvest processing	Capacity development for smallholders (SHEP²) More value-added products Distribution and certification systems Agrochemical surveillance	Kitchen gardening Dietary education Maternal and child health Gender mainstreaming (IFNA <sup>3</sup> )	Drought control Water-saving irrigation Weather insurance

life for all. According to the 1996 World Food Summit, food security "exists when all people, at all times, have physical and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life." Focusing primarily on food production, JICA's traditional approaches to agricultural and rural development were not comprehensive enough to achieve this goal.

Hence, JICA has recently adopted the idea of "food and nutrition security," a comprehensive concept that involves ensuring the stability of nutrition intake and food supply. To achieve food security and nutrition improvement, JICA is stepping up its efforts to achieve better food access and utilization, more stable food availability, and closer inter-relationships among different approaches in agricultural and rural development. JICA aims to improve food and nutrition security in rural areas through multisectoral collaboration involving agriculture, education, and water and sanitation sectors in addition to the health sector in which JICA has traditionally been working for nutrition improvement.

#### 2. Development Approaches to Food and Nutrition Security

JICA has identified the following six approaches as its development approaches to food and nutrition security in view of the four dimensions of food security as identified by the Food and Agriculture Organization of the United Nations (FAO)—(1) to (4) below—and by adding two cross-sectoral approaches thereto: (5) rural development, and (6) utilization of Japan's expertise and experience [ → see the table above].

### (1) Fostering sustainable productivity growth and reducing food losses: Food availability

By increasing productivity with focus on areas suitable for agricultural development, JICA works to boost food supply in a sustainable manner while reducing environmental impacts. JICA also makes efforts to increase food supply by reducing food losses.

#### Specific activities with this approach:

- In Africa, JICA has been supporting productivity growth with farmland development and other means, with primary focus on CARD¹ and ProSAVANA-JBM.⁴ In Asia, JICA focuses primarily on improving the productivity of the existing farmland through irrigation development and technical guidance.
- For improved productivity, JICA incorporates measures designed to make sustainable use of land, water, and biological resources, all of which are only finitely available.
- · JICA seeks ways to reduce food losses.

### (2) Improving food access and strengthening food value chains: Food accessibility

To make safe and nutritious agricultural produce and food more accessible, JICA encourages improved farm management and food processing that better meet market needs and help expand the safety net for the vulnerable.

#### Specific activities with this approach:

- JICA works on improving physical access through the development of distribution infrastructure, including roads, post-harvest processing and storage facilities, and market places.
- JICA helps improve the livelihoods of smallholders and provide better access to food through commercialization support for smallholders. This support includes SHEP<sup>2</sup> in Africa, as well as the One Village, One Product Movement, horticultural crop support, and other programs in other regions.
- The Coalition for African Rice Development. This initiative was launched at the Fourth Tokyo International Conference on African Development (TICAD IV) in 2008 to boost rice production in Africa. It aims to double rice production in Sub-Saharan Africa for a period of 10 years up to 2018
- Smallholder Horticulture Empowerment and Promotion. This extension approach is designed
  to generate motivation in each farmer and encourage self-help efforts toward further growth
  while aiming to increase income from agriculture as a business.
- 3. The Initiative for Food and Nutrition Security in Africa. This initiative was launched at TICAD VI in 2016 for improved nutrition in Africa. It is aimed at supporting nutrition improvement until 2025 by encouraging participating African countries to implement practical activities for improving the nutritional status in Africa based on their policies.
- Triangular Cooperation for Agricultural Development of the Tropical Savannah in Mozambique This program also involves Japan and Brazil.

 JICA also focuses on public-private partnerships to support the development of food value chains by taking advantage of Japan's strengths—particularly special attention to high quality, health, and safety—with a view to assisting Japan's food industries to work in overseas markets and supporting the economic growth of developing countries [ >> see the Case Study below].

Ethiopia:

The Project for Strengthening of Agricultural Pesticide Residue Analysis System





#### **Toward Exporting Safe and Secure Coffee Beans**

In this project, JICA focused on strengthening the system for pesticide residue analysis of Ethiopian coffee beans for export and on improving the analytical techniques for the staff of a testing

Coffee is a key export crop for Ethiopia. The country has traditionally been one of the top coffee exporters to Japan. In 2008, however, exports of Ethiopian coffee beans to Japan plummeted after they were repeatedly found to contain pesticide residue that exceeded the maximum residue limits. This affected the Ethiopian economy significantly.

This incident prompted the Ethiopian Ministry of Agriculture to establish the Quality Monitoring and Pesticide Testing Laboratory (QMPTL) designed to ensure the safety of agricultural products. The problem, however, was the lack of personnel capable of using equipment necessary for pesticide residue analysis. This was where this project came into play. The project involved sending Japanese experts to Ethiopia and inviting some of the QMPTL staff members to Japan for training. JICA communicated to the staff at QMPTL analytical techniques for pesticide residue as well as basic knowledge and skills for managing the laboratory.

These project activities have put in place a system for pesticide residue analysis in coffee beans to be exported to Japan and for issuing export permits for those whose pesticide residues are found to be below the maximum limits. The newly acquired capacity to determine the safety of coffee beans for Japan is expected to boost exports of this Ethiopian product to Japan.



A QMPTL staffer learns analytical techniques. (Photo by Takeshi Kuno)

#### (3) Diversifying diet and improving nutrition: Food utilization

At the community level, interventions that involve multiple sectors (agriculture, health, education, water and sanitation, etc.) are particularly important for nutrition improvement. JICA is engaged in diversification and quality improvement of diet through kitchen gardening, dietary education, and school meals. It is also engaged in awareness-raising activities taking into consideration local customs and gender through livelihood improvement programs.

#### Specific activities with this approach:

· JICA is engaged in activities revolving around the Initiative for Food and Nutrition Security in Africa (IFNA)<sup>3</sup> [ → see the Case Study on page 75]. IFNA is aimed at accelerating actions designed to improve food and nutrition in Africa for a period of 10 years up to 2025. Initial activities under IFNA have already been launched in 10 countries in view of the nutritional status and past related activities in these countries.

#### (4) Strengthening resilience: Stability

With a focus on people exposed to vulnerable natural environments and social conditions, JICA is working on the following activities with the dual purpose of building disasterresistant agricultural systems and developing safety nets that support quick recovery.

#### Specific activities with this approach:

- JICA focuses primarily on regions—the Middle East, Africa, and South Asia-that are particularly exposed to weather hazards, conflicts, and external shocks associated with fluctuating international prices and other factors.
- JICA is assisting countries in these regions in strengthening their resistance to environmental stress with an optimal combination of two types of components in light of local natural conditions. The first type is designed to improve access to water resources with the development of smallscale infrastructure, including reservoir construction and water harvesting. The second type is designed to introduce cultivation techniques that are highly resistant to environmental stress, including drought-tolerant varieties, water-saving irrigation, mulching, deep plowing, and no-till farming.
- JICA is supporting quick recovery from weather hazards and other stresses through such means as compensation for losses through income insurance or weather index insurance for farmers, financing for business recovery with a micro-credit scheme, and coordination with food assistance programs by governments.

#### (5) Promoting rural development

Stable development of rural areas is important both from the perspective of national food security and in the context of narrowing the livelihood gap between urban and rural areas. JICA assists the diversification of industries and the development of local specialties with the effective use of local resources as well as the development of community infrastructure. In this way, JICA supports balanced rural development and training people who support rural communities.

#### Cross-sectoral activities with this approach:

- In light of the experiences of Japan and other developed countries, and based on adequate understanding of the local situations, JICA supports developing countries with a cross-sectoral combination of the following measures, as appropriate:
  - (i) Diversifying rural industries: promoting non-agricultural industries in rural areas, such as a shift from mere agricultural production to food-related industries, including processing and food-service industries and the distribution industry; and tourism that capitalizes on local resources.
  - (ii) Improving the rural living environment: improving community infrastructure that is less developed than in urban areas, such as the development of farm roads, water supply facilities, etc.
  - (iii) Shifting to more profitable farming that capitalizes on local resources: strengthening value chains through approaches involving the One Village, One Product Movement and "Roadside Stations."

#### (6) Utilizing Japan's expertise and experiences

JICA supports state building by sharing Japan's experiences in relevant fields—overcoming food shortages following the end of World War II, subsequently improving the nutritional balance, and carrying out rural development amid growing gaps between urban and rural areas—at all levels, including researchers and government administrators in developing countries.

#### Cross-sectoral activities with this approach:

- Japan's agriculture has undergone a series of developments, including food shortages during and after World War II, a rapid improvement in productivity during the period of rapid economic growth, faltering demand for agricultural produce associated with market maturation, and growing disparities between urban and rural areas. These developments are common to the process of agricultural development in many countries, especially in those in Southeast Asia. Japan's experiences, technologies, and policies in agriculture can contribute to many countries in different stages of development.
- Also Japan's experiences in non-agricultural fields, including the Livelihood Improvement Program, school meals and dietary education, the nutritionist certification system, the Maternal and Child Health (MHC) Handbook, improved health services, and safe water supply could be of potential help to nutrition improvement in developing countries.
- JICA is now working to take advantage of all these experiences. Specifically, JICA is making effective use of training programs that offer opportunities to study in Japan as well as various people-to-people exchange programs to share these experiences with people at all levels, including researchers and government administrators, so that they can put these experiences to good use for their state-building efforts.

It may be worth adding that agricultural and rural development

helps to achieve not only the SDGs' Goal 2 (Zero Hunger) but also many other goals, including Goal 1 (No Poverty), Goal 5 (Gender Equality), Goal 12 (Responsible Consumption and Production)—especially the third target of reducing food losses—and Goal 14 (Life Below Water).

Sub-Saharan Africa: Initiative for Food and Nutrition Security in Africa (IFNA)







#### Closer Cooperation with Partners Bolsters Efforts to Address Nutrition Problems in Africa

JICA and other international organizations jointly launched the Initiative for Food and Nutrition Security in Africa (IFNA) at TICAD VI, held in the Kenyan capital city of Nairobi. IFNA encourages participating countries to take specific actions on the ground with an approach that transcends the borders of various sectors, including agriculture, health, education, water, and sanitation. For a period of 10 years up to 2025, IFNA supports these countries in achieving nutrition improvement targets. Initial priority is given to 10 countries: Burkina Faso, Ethiopia, Ghana, Kenya, Madagascar, Malawi, Mozambique, Nigeria, Senegal, and Sudan.

Characteristically, IFNA stresses four aspects: (1) accelerating human-centered practical activities; (2) encouraging coordination among various sectors and stakeholders for greater synergy; (3) enhancing the sustainability of nutrition improvement and the resilience of communities; and (4) taking a more evidence-based approach. Specific activities could be:

- IFNA accumulates good practices that lead to nutrition improvement and can be shared and learned by participating countries and organizations for more effective outputs.
- JICA supports the management of the IFNA Secretariat at the Planning and Coordinating Agency of the New Partnership for Africa's Development (NEPAD Agency), as well as enhancing its contribution to nutrition improvement that focuses on food and agriculture within a multi-sectoral approach. JICA also strengthens the network of JICA volunteers and experts who are interested in nutrition improvement to promote "nutrition improvement partners" for sharing experiences in the field.



A workshop for making an in-season foodstuffs calendar

# Priority Issues and Activities

### **Industrial Development and Public Policy**

For Decent Work, Clean Energy, Democratic Governance, and People's Dignity and Happiness



Of the 17 Sustainable Development Goals (SDGs), strongly associated goals are shown in color.



Employees of the Indonesia Metal Industries Development Center learning casting techniques from an expert in a technical cooperation project

#### **Sectoral Issues**

- To increase decent work by supporting the growth of the private sector and the development of industrial human resources.
- ightharpoonup To deliver affordable, reliable and low-carbon energy to all.
- To provide support for realizing a democratic society based on the rule of law, as well as modernizing and improving the quality of public administration, public financial management and finance.

#### **Fiscal 2016 Initiatives**

- Further promotion of Japan's kaizen activities in countries in the region was confirmed at the Sixth Tokyo International Conference on African Development (TICAD VI).
- In addition to accepting international students in the geothermal field, JICA also started three types of Knowledge Co-Creation Programs. All-Japan support for human resources development has just begun.
- A call center was opened in Côte d'Ivoire to provide legal information, while a customs clearance IT system utilizing Japanese technology also started operation in Myanmar.

#### **Future Cooperation**

- JICA will contribute to "quality growth" and job creation and other issues by strengthening partnerships with the private sector. This will involve promoting human resources development (HRD) for the business sector at Japan Centers for Human Resources Development.
- JICA will offer support for considering ideal sustainable development based on the assistance for developing an electricity master plan, which aims to achieve both climate change measures and economic growth.
- JICA will support the creation of legal systems and democratization for good governance, as well as enhancement of administrative functions that include public financial management and law enforcement, and financial modernization.

#### **Private Sector Development**

The private sector serves as the driving force for economic growth in developing countries. Strong and comprehensive economic growth can be realized when private companies in various fields achieve dynamic growth and development and create higher added value and job creation.

In recent years, many developing countries have been focusing efforts on attracting foreign direct investment. Many Japanese companies, for their part, are actively establishing operations in developing countries by finding new markets and opening manufacturing bases in those areas. Through further encouragement of collaboration between the two, JICA focuses on contributing to more effective private sector development in developing countries while enhancing mutually beneficial economic relations.

#### Overview of the Issue and JICA Activities

JICA contributes to Goal 8 "Economic Growth" and Goal 9 "Building Infrastructure for Industries and Technological Innovations" of the Sustainable Development Goals (SDGs) mainly through (1) developing policies and institutions for improving the business environment; (2) promoting trade and investment; (3) improving the competitiveness of local companies; and (4) tourism.

#### Developing Policies and Institutions for Improving the Business Environment

JICA assists developing countries to achieve an environment conducive to the activities of private companies and to realize the development of industries.

Industrial promotion policy is a principal pillar for national development. JICA assists with drawing up these industrial policies focusing on various aspects depending on the situation in the partner country. JICA also assists with the development and operational improvement of legislative and institutional infrastructure for business activities, including economic regulations such as enterprise law and competition law, intellectual property systems, standards and conformity assessment systems, tax administration, and financial systems.

#### 2. Promoting Trade and Investment

In the global economy, the growth of developing economies fundamentally requires trade and investment with other economies. With this in mind, JICA focuses on the following aspects:

#### (1) Promoting Trade

The proportion of import and export value of emerging and developing countries in total global trade is rising, and it is obvious that trade plays an important role in economic development 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.

#### (2) Promoting Investment

Developing countries are becoming even more attractive as an investment destination for foreign companies. There are also moves on the part of developing countries to take advantage of foreign direct investment (FDI) as an engine to promote domestic industries.

JICA assists developing countries in improving the investment environment and proactively disseminating information on investment opportunities. To this end, it dispatches investment promotion advisors and supports the development of special economic zones. Under its development policy loan program, JICA also supports efforts to reform and improve the policy and institutional aspects of the investment environment.

#### 3. Improving the Competitiveness of Local Companies

In order to improve the competitiveness of local companies, particularly SMEs, JICA is engaged in strengthening support services for companies and developing industrial human resources.

#### (1) Strengthening Support Services for Companies

Increasing corporate competitiveness requires enhancing corporate management resources: labor, technology, capital, and information. JICA assists the public entities that are SME support organizations in strengthening their business development services and in fostering industrial clusters.

#### (2) Developing Industrial Human Resources

Developing countries are showing strong interest in Japanesestyle management and production management methods such as kaizen. In Asia, JICA takes advantage of its eight Japan Centers for Human Resources Development, called Japan Centers, to assist business training in the region, thereby developing human resources that are familiar with Japanese-style management and production management methods.

In Africa, JICA supports the promotion of the kaizen system to improve quality and productivity. It has trained kaizen advisors to enhance guidance for companies and other entities in eight African countries. The Sixth Tokyo International Conference on African Development (TICAD VI) announced the launch of an initiative that promotes kaizen activities throughout Africa in cooperation with the New Partnership for Africa's Development (NEPAD).

The outcomes of all these kinds of assistance are expected to bring about mutual benefits to developing countries and Japan, as they will contribute both to industrial promotion in developing countries and to the activities of Japanese companies there.

#### 4. Tourism

The tourism industry, which is seen as one of the fastest-growing socioeconomic sectors, is becoming more important every year as an industry capable of facilitating the growth of developing countries. JICA supports the promotion of sustainable tourism development with appropriate use of tourism resources to develop the regional economy, increase job opportunities, and improve the quality of life in developing countries.

#### **Energy and Mining**

Stable supply of quality electric power and mining development are essential for building industrial infrastructure for developing countries as well as for improving the quality of people's lives there.

Meanwhile, as some 80% of CO<sub>2</sub> emissions from Japan originate from the energy sector and about 40% are associated with power generation, the development of energy and mining and the supply thereof are strongly required to adopt low-carbon operations in accordance with the Paris Agreement of December 2015.

Under such circumstances, 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

Stable securement of low-cost, low-carbon energy is an urgent development subject for developing countries. 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.

To address these challenges, JICA seeks to attain balanced power supply that meets three requirements—low-cost, low-carbon, and low-risk, the "3 L's," with an eye on contributing to achieving SDG 7: to ensure modern energy for all. Specific assistance is shown below:

#### (1) Promoting Better Access to Electric Power and Stable Power Supply

For many years, JICA has been committed to achieving better access to electric power and more stable power supply in developing countries by supporting the reinforcement of their national grids. In recent years, JICA has provided assistance for establishing an electricity master plan to Myanmar, Sri Lanka, Mozambique and other countries. It has also supported high-efficiency thermal power generation and assisted the development of power infrastructure, including power transmission and distribution networks, in many countries in Asia and Africa.

Tanzania: Project for Domestic Natural Gas Promotion and Supply System



### For Supplying Clean Energy at an Affordable Price

The development of shale gas is in progress in the United States and many countries are committed to reducing CO<sub>2</sub> emissions after the 21st session of the Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change. Against the backdrop, attention is presently focused on the development and utilization of natural gas. In Tanzania, a small gas field found in 1974 had long been used; in recent years, however, a large-scale gas field was discovered in deep waters. Today, further development and utilization of natural gas are a priority issue in the country.

In fiscal 2016, JICA started an information collection survey concerning the utilization of natural gas in Tanzania. Over the medium and long-term, the survey determined the development of a deep water gas field based on a liquefied natural gas (LNG) project with attention to trends in international resources prices. In the short term, the survey analysis concluded that it is effective to promote preparatory projects regarding fertilizers and methanol that utilize a small gas field in shallow waters.

Afterward, the Tanzanian government requested that JICA support the formulation of a comprehensive plan to address domestic gas demand and embody a preparatory project to utilize the shallowwater gas field. In this way, JICA's cooperation has been expanded and deepened even further.

Initiatives to improve access to stable energy and promote high energy efficiency are now being accelerated in this gas-producing country in Africa.



Training participants visiting an LNG facility in Japan

Enhancing the core power systems will make it possible to provide low-cost and stable power supply to a wide group of people, including the poor [ >> see the Case Study at the bottom left].

#### (2) Promoting of Low-carbon Power Sources

Japan possesses world-class technology in geothermal power generation, which is renewable energy and stable baseload power sources. JICA provides a wide range of support, from resources development to the construction of geothermal plants in Indonesia, African Great Rift Valley countries that include Kenya, and Latin American countries [ >> see the Case Study on page 42].

JICA assists island countries, especially those in the Pacific region, under its new Hybrid Island Initiative program by developing hybrid power grid systems that build on the optimal use of diesel power generation and renewable energy.

#### (3) Long-Term Human Resources Development

Working with universities and other entities in Japan, JICA promotes human resources development programs for administrative officials and researchers in the geothermal sector that center on earning academic degrees in Japan.

#### 2. Mining

Mineral-resource exploration and production require large amounts of capital and advanced technology, which calls for the entry of foreign companies into the mining industry in developing countries. However, many developing countries' governments have weaknesses in mining policy as well as legal systems and frameworks, and lack basic geological information and infrastructure. In order to cope with these issues, JICA extends assistance to developing countries to (1) improve the investment environment in terms of both software and hardware aspects; and (2) to develop human resources. For the second objective, JICA has been working with Japanese universities to offer a training program in Japan, popularly known as the Kizuna Program (*kizuna* means "bonds of friendship" in Japanese). The program is also aimed at building and strengthening a human network involving Japanese people.

#### Governance

The term "governance" refers to the overall social system and is the basis for the socioeconomic development of developing countries. JICA is supporting various kinds of capacity development activities in the field of legislation, judiciary, public safety, administration and finance. 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

For promoting the market economy and post-conflict social stabilization, JICA supports human resources development for countries where legal systems need to be established or improved [ > see the Case Study on page 79].

In fiscal 2016, JICA assisted the governments of Myanmar,

Cambodia, and Laos in developing, strengthening the operations of, and improving the practical application of laws and regulations, while also providing support for ensuring legal consistency in Viet Nam and Indonesia. In Côte d'Ivoire, JICA supported establishing a call center to provide legal information for improvement of public access to justice.

#### 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 fiscal 2016, JICA continued its assistance to support the voter registration process in Cambodia, and its assistance for the Office of the National Assembly in Viet Nam. In addition, JICA started its support to strengthen public broadcasting systems in Ukraine.

#### 3. Public Safety

JICA is also committed to supporting developing countries in improving public safety in cooperation with Japan's National Police Agency. Assistance addresses aspects such as: (1) community policing (KOBAN), and (2) criminal investigation skills as represented by expertise in fingerprint and palm print identification.

In fiscal 2016, JICA continued its project in Brazil that is aimed at disseminating koban community policing nationwide. Assistance for promoting civilian community policing in Indonesia, Timor-Leste, and other countries are ongoing, and training for Afghan women police officers was conducted in Turkey as well.

### 4. Public Administration / Public Financial Management / Finance

These areas are widely linked with the targets of the SDGs as a foundation for forming and implementing public policies, not limited to Goal 8, "Economic Growth," and Goal 16, "Governance and Peace."

#### (1) Public Administration

In order to strengthen the comprehensive administrative functions of developing countries, JICA has been working on the enhancement of civil servant training and enhancing the planning capacity of local governments for better public service delivery.

#### (2) Public Financial Management

Public financial management (PFM) is a key development issue that influences everything from development planning to public-sector management. JICA is collaborating with international organizations in activities that include the introduction of performance-based budgeting, public investment management, and internal audits.

JICA also continues its assistance in tax administration and customs administration, which play a pivotal role on the revenue side of public finance. Regarding customs administration, JICA is supporting activities such as introducing new customs clearance

IT systems and setting up One-Stop Border Posts aiming to promote trade facilitation [→ see the Case Studies on pages 30 and 48]. (3) Finance

Finance constitutes a major part of the "soft infrastructure" that supports economic activity. In Viet Nam, JICA drew on Japan's experience to support the reform of state owned enterprises and the disposal of nonperforming loans. JICA promotes modernization of the financial sector in developing countries, including the introduction of the funds payment and securities settlement system in the Central Bank of Myanmar and support for the development of a capital market in Mongolia.

Case Stud

Côte d'Ivoire: Criminal Justice Training for Francophone African Countries



### Criminal Justice Professionals Coping with Cross-Border Crimes

The Sahel region, located at the southern edge of the Sahara Desert, faces a serious threat of terrorism, organizational crimes, and other cross-border crimes. JICA provides eight Francophone African countries with training programs to improve their criminal justice process for social stability in the region.

The Sahel is a poverty-ridden region with a high risk of terrorism and other cross-border crimes. Taking these circumstances into consideration, strengthening measures against terrorism and violent extremism was proposed at the Sixth Tokyo International Conference on African Development (TICAD VI). It is indispensable to enhance regional cooperation to cope with these crimes. Thus, JICA and the UN Asia and Far East Institute for the Prevention of Crime and the Treatment of Offenders (UNAFEI) jointly provide third country training programs in Côte d'Ivoire for police officers, prosecutors, and judges from eight countries: Senegal, Mali, Niger, Chad, Burkina Faso, Mauritania, the Democratic Republic of the Congo, and Côte d'Ivoire.

The training program in fiscal 2016 featured anti-cybercrime measures and the fundamentals of investigation, prosecution, and trial. Due to the recent increase in the number of computer network crimes in the region, investigative ability and other related skills need to be improved. Participants in this program conducted active discussions on these issues.

At the end of the training, participants from the eight countries developed action plans for their own countries. Making use of this opportunity, they are expected to improve the criminal justice process in their countries.



Training participants making a presentation of the current anti-cybercrime measures in their country

### Other Activities and Initiatives

#### **Public-Private Partnerships**

#### **Partnership with Japanese Private Sector**

 $\rightarrow P.84-85$ 

 $\rightarrow P.82-83$ 

To apply innovations created by the Japanese companies to solve diversifying issues in developing countries, JICA is strengthening collaboration with private companies through initiatives on PPP infrastructure projects, SDGs businesses, and support for Japanese small and medium enterprises.

#### **Science and Technology Research Partnership for Sustainable Development** (SATREPS)

→ P.86-87

Based on Japan's advanced science and technology, JICA aims to create newer "knowledge" by promoting international joint research between research institutes in Japan and developing countries. It is expected to contribute to solve global-scale issues by giving research outcomes back to the real world.

#### **Citizen Participatory** Cooperation

→ P.88-91

JICA encourages Japanese citizens to take part in the international cooperation as bridges between developing countries and Japan. We will continue to cooperate with NGOs, local governments, universities, research institutions, and other actors through numerous dialogues for achieving win-win contributions to the growth of developing countries and regions in Japan. JICA is also actively involved in development education in collaboration with schools to share information about various situations in developing countries.

#### **Volunteer Programs**

At the grassroots level, Japanese citizens who are willing to participate in international cooperation are dispatched to developing countries. They are expected to contribute to solving problems in partner countries, while living with local people and familiarizing themselves with different cultures and customs.

 $\rightarrow P.92-93$ 

Public-Private Partnerships and Partnership with Japan's Private Sector (photo credit: LIXII Corporation) Science and Technology Research Partnership for Sustainable Development (SATREPS), Citizen Participatory Cooperation, Volunteer Programs, and Enhancing Development Partnerships (photos by Shinichi Kuno)

To respond to diversifying issues on a global level or the various needs of developing countries, collaboration with partners with innovative technologies or abundant experiences, such as local governments, private corporations, universities, and NGOs, is imperative. To make good use of the expertise of various actors to support developing countries, JICA is implementing a variety of collaboration programs. JICA is also aligning with international aid agencies and other relevant actors to deliberate on important issues that need be tackled by the international community and to widely share the outcomes with the world.





#### → P.94-95 **Emergency Disaster Relief**

When major disasters occur overseas, JICA conducts disaster relief activities according to requests from governments of disaster-affected countries or the relevant parties. JICA's aid in disaster-affected areas includes rescue operations and medical assistance for disaster-affected people and initial reconstruction from disasters. JICA also provides necessary supplies such as blankets, tents, and water purifiers.



#### $\rightarrow P.96-97$ Research

The JICA Research Institute carries out research based on the experiences that JICA has accumulated through actual cooperation activities and contributes to JICA's future operation strategies, and at the same time proactively disseminates the research results domestically and internationally to contribute to the world's development agendas. The institute also conducts research relating to "quality growth" based on the Development Cooperation Charter.



#### **Enhancing Development** → P.98 **Partnerships**

JICA collaborates with international development cooperation agencies, working with them both at policy level and on the ground. Through dialogues with other donors and international conferences, JICA also disseminates its views on important issues that the international community must tackle.

**JICA Starts Working on** ⇒ P.99 **Achieving the SDGs** 

Based on its accumulated experience and network of development assistance, JICA is doing its utmost to achieve the Sustainable Development Goals (SDGs), the global common targets up to 2030.



### **Public-Private Partnerships**

#### **New Partnership Supporting 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. In fact, the private sector accounts for a large proportion of the financial flows to developing countries. The Sustainable Development Goals (SDGs) that were adopted in September 2015 also attach importance to partnership with private companies for overcoming challenges.

These efforts have contributed to creating employment opportunities, human resources development, and improving technologies. In addition, high expectation among developing countries is placed on the outstanding technologies, know-how, and business ideas of private sector.

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 Partnership with the Private Sector

Of the Finance and Investment Cooperation assistance provided by JICA, Private-Sector Investment Finance (PSIF) is a scheme to support private enterprises that conduct business with positive impacts in certain fields, including infrastructure improvement, poverty reduction, and measures against climate change, through the provision of loans and equity. Furthermore, by introducing technologies and know-how of private companies and by coordinating the collaboration with private financial institutions and international financial institutions, JICA makes efforts to reduce various risks associated with projects and to further increase development outcomes through coordination with JICA's technical cooperation, other international organizations, etc.

In fiscal 2016, JICA made a decision on equity participation in IFC Middle East and North Africa Fund, LP managed by IFC Asset Management Company, which is a 100% subsidiary of the International Finance Corporation (IFC); the Japan ASEAN Women Empowerment Fund (JAWEF), supporting microfinancing institutions contributing to empowering women; and a business engaged in an LED lantern rental service in Sub-Saharan Africa.

JICA also signed agreements for the Tsetsii Wind Farm Project in Mongolia with co-financing with the European Bank for Reconstruction and Development (EBRD) [→ see the Case Study on page 83]; and for the high-efficiency natural-gas power generation project in Sirajganj, Bangladesh, with co-financing with the IFC, both as the first co-financing schemes with international financing institutions.

### 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.

This scheme is designed to formulate favorable PPP infrastructure projects at the upstream stage, based on the cooperation between the public and private sectors. JICA entrusts the necessary surveys to private Japanese companies that have submitted promising proposals so as to develop project plans.

However, there are many challenges related to PPP infrastructure projects in developing countries. These challenges include difficulties in securing project viability, insufficient recognition of proper public-private role-sharing and risk allocation due to insufficient support from developing country governments, and completion risk due to factors such as delays in construction of related facilities. Therefore, not only supporting individual projects, JICA is also promoting comprehensive efforts for the establishment of projects by providing support to developing countries for enlightenment on the PPP system, assisting establishment of appropriate PPP policies and institutions, and strengthening implementation capacities.

### Feasibility Survey for SDGs Business Turning SDGs into Business Opportunities

In achieving the SDGs, collaboration among every stakeholder has become even more important, and the contribution of private-sector firms is even more strongly expected in order to eradicate poverty and enable sustainable development. In support of a feasibility survey of businesses that could contribute to overcoming challenges faced by the people at the base of the pyramid (BOP), JICA initiated the Preparatory Surveys for the BOP Business Promotion program in 2010 and has adopted a total of 114 proposals up to now. In February 2017, the program changed to the Feasibility Survey for SDGs Business in order to accelerate public-private partnerships for the achievement of more comprehensive SDGs, not limited to the BOP. It is intended to accelerate efforts for public-private cooperation leveraging the knowledge and information accumulated under the previous program.

#### Collaboration Program with the Private Sector for Disseminating Japanese Technology Boosting the Dissemination of "Japanese Model" Technology that Contributes to the Growth of Developing Countries

The dissemination of "Japanese Model" technology with advanced high competitiveness and solution for technological issues in developing countries are regarded as priority issues. As an effort to address these issues, JICA initiated "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 in counterpart countries will be provided primarily for government officials from developing countries.

In fiscal 2016, six out of the total of 22 proposals adopted were for African countries, since Africa was recommended as the

prioritized region on the occasion of the Sixth Tokyo International Conference on African Development (TICAD VI). JICA intends to contribute to overcoming challenges in developing countries by fully utilizing Japan's excellent technologies, ideas, and know-how, including pioneering innovative technologies such as distribution operations using unmanned aerial vehicles (UVA) as well as collaboration with a local government, positioned as a base for the promotion of waste electrical and electronic equipment (E-waste) recycling system [ > see the Case Study below].

Mongolia: Tsetsii Wind Farm Project







Morocco: Promotion of Structural Inspection Using Special High-Place Work Technologies





### Clean Energy Being Introduced with the Help of Overseas Investment

In September 2016, JICA signed financing agreements for the Tsetsii Wind Farm project in Mongolia with Clean Energy Asia LLC, which is a joint venture formed by SB Energy Corporation in the SoftBank Group and Newcom LLC of Mongolia. It marks JICA's first overseas project in finance debt transaction in the renewable energy field

Mongolia faces great challenges in meeting its growing demand for electricity as a result of its rapid economic growth. Also, as a country under the serious impact of climate change, the government has been actively promoting the introduction of clean energy. This project will involve electric power development by harnessing the rich wind resources of the Gobi region, aiming to contribute to sustainable economic development and mitigation of climate change in Mongolia. The project is consistent with the Partnership for Quality Infrastructure, being promoted by the Japanese government with due consideration of the overall facility's life-cycle costs, as well as environmental and social sustainability.

As an exemplary project that can be extended to other countries, this project received an award in the IJGlobal Awards 2016 commendation program, organized by the internationally renowned project-finance magazine *IJGlobal* to honor excellent financing projects in the energy and infrastructure fields. The Tsetsii Wind Farm Project was recognized in the wind power development project division in the Asia Pacific region.



Rendering of the Tsetsii Wind Farm (Photo courtesy Clean Energy Asia LLC)

#### Contributing to Infrastructure Maintenance and Management with Ninja-tech from Japan

This program involves two of Japan's companies—Hanshin Expressway Co. Ltd. and Tokusyu Kousyo Gijutsu Inc.—in the promotion of special high-place work technology called Ninja-tech, and transfer of the related technology to the Société Nationale des Autoroutes du Maroc (ADM) in Morocco. Ninja-tech is used to examine and inspect structures only with ropes and specially designed tools without using scaffolding or high-lift work vehicles.

Morocco will have its planned nationwide expressway network almost completed within a few years. Along with the gradual shift from the construction period to the maintenance phase, it has become urgently required that efficient and effective maintenance and management systems are investigated and introduced. In these circumstances, the program aims to become a long-continuing business for infrastructure maintenance and management by addressing the challenges that Morocco will soon face, and by disseminating Japan's advanced technologies in this field as well as developing local human resources. Specifically, ADM personnel were trained in study sessions and hands-on practice held in Japan concerning infrastructure maintenance and management and high-place operations.

It is strongly expected that the two companies and JICA will contribute to the sustainable social and economic development of Morocco through this program, as well as to infrastructure maintenance and management throughout Africa, by extending the technologies concerned outside Morocco.



ADM personnel training held at a bridge in Morocco

### **Partnership with Japanese Private Sector**

Support for Japanese Small and Medium Enterprises (SMEs) Overseas Business Development to Address Various Development Issues in Developing Countries

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, as of March 2017 JICA had received an aggregated total of 2,116 proposals from SMEs and selected 535 of them. In the Development Cooperation Charter approved by Japan's Cabinet in February 2015, activities by the Japanese private sector, including SMEs, are considered one of the major driving forces to promote the economic growth of developing countries. With the understanding that ODA is expected to play the catalytic role in tackling various challenges in developing countries and in accelerating business activities of private sectors, JICA continues its cooperation with SMEs.

#### JICA's Overall Support for Japanese SMEs Overseas Business Development

In fiscal 2016, JICA built partnerships with new types of entities: the Consortium for a New Export Nation¹ and regional financial institutions. JICA also worked to strengthen relations with Japanese SMEs that have excellent technologies or products that can help developing countries address their development issues. As part of such efforts, JICA provided information and consultation services that were fine-tuned to the needs of regional private businesses.

Support structures for SMEs' overseas development have been strengthened at JICA's 14 domestic offices. Approximately 2,400 meetings were held and more than 270 seminars for over 12,000 participants were held across the nation during the year.

More effective use of overseas offices has also been considered, and JICA will actively provide such information as the needs from developing countries.

#### Promotion Survey and Project Feasibility Survey

In fiscal 2016, JICA made two advertisements for SME Partnership Promotion Survey (called the Promotion Surveys) and Project Feasibility Survey.

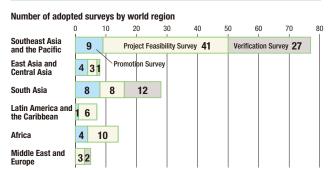
In a Promotion Survey, which started in 2012 and of which 88 have been selected so far, basic information is collected and an overseas business plan is drafted in order to examine the possibility of solving development problems through a Japanese company's overseas business development and the possibility for the company to collaborate in related ODA projects. In fiscal 2016, there were 26 surveys selected.

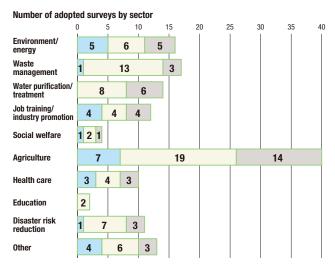
In a Project Feasibility Survey, which started in 2012 and of which 279 have been selected so far, the feasibility of using the company's products and technologies for overcoming challenges in a developing country is analyzed, while information is gathered

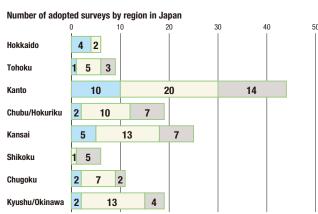
 A framework to widely consolidate government agencies, local financial institutions, and other business support entities throughout Japan and provide comprehensive support for small and medium enterprises, etc., conducting overseas operations. and a network with the counterpart government agency is built, all of which are necessary to conduct an overseas development program. There were 71 surveys selected in fiscal 2016.

The number of cases where private companies' products and technologies were used in ODA projects as a result of the surveys increased in fiscal 2016, including 13 cases of collaboration with technical cooperation projects, seven cases that contributed to usage in Finance and Investment Cooperation and Grants

#### Promotion Survey/Project Feasibility Survey/Verification Survey in Fiscal 2016







projects or development of new projects, and four cases that led to JICA Partnership Programs, private sector partnership volunteer programs, etc. Meanwhile, effects are also seen on the participating companies' side, as evidenced by securing overseas customers and the start of overseas production.

#### Verification Survey with the Private Sector for Disseminating Japanese Technologies

The surveys are intended to verify the compatibility of Japanese SMEs' products and technologies to various socioeconomic conditions in developing countries, and possible dissemination

of these technologies and products. JICA initiated the surveys under fiscal 2012 supplementary budget, and 168 surveys have been started as of March 2017.

These Verification Surveys focus on the utilization of ecofriendly renewable energy, technologies for recycling industrial and municipal waste, and the development of agricultural products with more added value, among many other areas for disseminating excellent products and technologies in many parts of the world. Other areas in which Japanese SMEs take advantage of these surveys include disaster risk reduction (DRR), health care, and education

Nepal: Project Feasibility Survey for Introducing Small Hydrokinetic Power Generators to an Impoverished Himalayan Rural Area



India: A Verification Survey Aimed at Distributing Potato Harvesters





#### Exploring the Possibility of Eliminating Power Shortages in Rural Communities in the Himalayas

Many communities in the world remain unelectrified or prone to power failures. The question is how to ensure stable power supply to community infrastructure. Nepal is one of the countries in the world that faces a severe power situation. Planned power cuts are frequent. The daily power cut in the wake of the April 2015 earthquake lasted more than a day at times. The problem is particularly serious in rural communities in mountainous areas, among other communities in Nepal.

This situation prompted Ibasei Ltd. to conduct a Project Feasibility Survey in the hope that Cappa, a small hydropower generator it has developed, will be of some help to secure power supply in such communities in the country.

Cappa has a number of advantages. First, it is so light that it can be carried by two adults. Easy installation even in inaccessible mountainous regions—no extensive civil engineering work required—makes the equipment perfect for rugged regions in Nepal. It can generate power in a flat flowing channel, unlike conventional generators that depend on a steep drop of the water.

After the survey was completed, this plan was adopted as a Verification Survey, paving the way for stable power supply to schools, which in turn will ensure the reliable use of building and security lighting as well as computer and other educational equipment and materials. The idea is to constantly encourage rural communities to improve their lives.



The small hydropower generator Cappa can be carried by two adults

#### A Hokkaido-based Manufacturer of Potato Harvesters Tackles Agricultural Problems in India

India ranks second in the world in terms of potato yield, yet potatoes in the country are generally harvested in an inefficient manner in which farmers dig them up with a bullock or a small tractor and collect them with their hands. Toyo Agricultural Machinery Manufacturing Co., Ltd. recently took advantage of the Partnership with the Japanese Private Sector program for a Project Feasibility Survey and Verification Survey to introduce its self-propelled potato harvester in India.

The Hokkaido-based company expects that this proprietary equipment will dramatically increase harvesting efficiency and potato quality in India. It is implementing this plan in cooperation with the Center for Seeds and Seedlings of the National Agriculture and Food Research Organization as well as the Center for Regional Collaboration in Research and Education of the Obihiro University of Agriculture and Veterinary Medicine.

Commenting on the findings of the preceding Project Feasibility Survey, Toyo officials said that they found many opportunities to capitalize on Japan's experiences nearly half a century ago when the country's agriculture began to be mechanized, as Indian farmers collect potatoes with their hands in the absence of organizations that promote farming machinery like Japan Agricultural Cooperatives. They also identified a major challenge. Indian potato growers need to better position their operations within a one-year cycle that include cultivation management from the spring and storage of the harvested potatoes.

Toyo is planning to organize seminars and other events aimed at inviting its peer companies in Hokkaido to join the plan. The idea is to

explore the possibility of an "all-Hokkaido approach" involving many entities in the region. Toyo is already assessing the viability of a harvester it has modified to better suit the soil conditions in India. These are some of the activities the company is conducting with a view to doing business in India.



Toyo's self-propelled potato harvester in action

# Science and Technology Research Partnership for Sustainable Development (SATREPS)

**Jointly Creating Knowledge for International Development** 

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 socioeconomic infrastructures is critical. The international community is now required to work together to approach such problems, since it is hard for individual countries or regions to tackle them alone. 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 this circumstance, and in accordance with the Japanese government's policy to promote science and technology diplomacy as set forth in the Council for Science Technology Policy, JICA initiated the cooperation¹ focusing on the utilization of science and technology for developing countries in 2008. Utilizing 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. Also, SATREPS will actively address the United Nations' Sustainable Development Goals (SDGs), thereby contributing to the international community.

#### 2. Implementation System

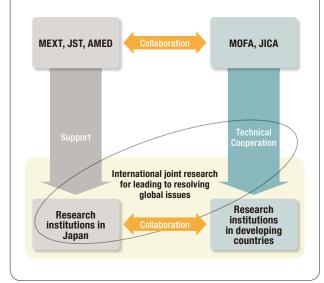
SATREPS is jointly conducted by the Ministry of Foreign Affairs (MOFA), JICA, the Ministry of Education, Science and Culture (MEXT), the Japan Science and Technology Agency (JST), and Japan Agency for Medical Research and Development (AMED)<sup>2</sup>.

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

#### Implementation System of SATREPS

#### **SATREPS**

- International joint research on global issues by research institutions in developing countries and Japan are promoted by MOFA/JICA and MEXT/JST/AMED in collaboration.
- The objectives are elaboration of outcome to lead to problem solving and capacity building of institutions in developing countries.



developing countries, under the framework of JICA technical cooperation project.

JICA provides funding necessary for technical cooperation projects (e.g., dispatch of Japanese researchers, acceptance of their researchers, provision of equipment, and local activity expenses). On the other hand, JST/AMED support research activities necessary in Japan or third countries.

#### 3. Eligible Fields of Research

Research objects are four fields: environment and energy, biological resources, disaster prevention, and infectious disease. For the environment and energy field, two research areas, (1) resolution of global-scale environmental issues and

Initially, the science and technology cooperation had two schemes; "The Science and Technology Research Partnership for Sustainable Development (SATREPS)," which was a technical cooperation project model, and "The Dispatch Program for Scientific and Technology Researchers," which was an individual expert dispatch model. However, the latter scheme was terminated in 2012.

With the April 2015 establishment of the Japan Agency for Medical Research and Development (AMED) as a public institution to integrally conduct medical research and development in Japan, activities in the field of infectious diseases were transferred from JST to AMED. SATREPS projects in this field are implemented by JICA in cooperation with AMED.

(2) advanced energy systems for low carbon society, have been set.

#### Achievements in Fiscal 2016

#### 1. Selection of Research Projects

From September to October 2015, JICA and JST/AMED asked Japanese research institutions for SATREPS research proposals for fiscal 2016 and also conducted a survey of developing countries on research requests. As a result, there were 86 matches among 108 proposals and 121 requests, and 14 research proposals were finally selected.

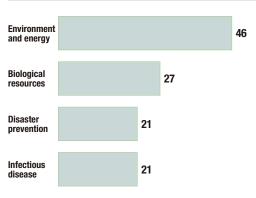
Research proposals adopted include six environment and energy fields (four environment areas and two low carbon areas), four biological resources fields, two disaster prevention fields, and two infectious disease fields. Viewed geographically, these proposals consist of seven in Asia, one in Central and South America, four in Africa, and two in the Middle East and Europe.

#### 2. Implementation Status

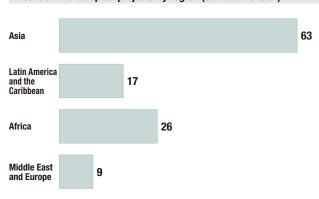
With new 14 proposals, SATREPS has adopted 115 research projects since 2008 when the project started, in 46 countries including three new entrants in 2016.

These research proposals include 46 environment and energy fields, 27 biological resources fields, 21 disaster prevention fields, and 21 infectious disease fields. Viewed geographically, these proposals consist of 63 in Asia (49 in Southeast Asia and the Pacific, one in East Asia, and 13 in South Asia), 17 in Latin

#### Breakdown of adopted projects by sector (cumulative total)



#### Breakdown of adopted projects by region (cumulative total)



America and the Caribbean, 26 in Africa, and nine in Middle East and Europe. In terms of percentage of the total, the Asian region is the largest with 55%, followed by the African region with 23%.

Thailand: Innovation on Production and Automotive Utilization of Biofuels from a Non-food Biomass Project







#### Successful Development of High-Quality Biodiesel Has Paved the Way for Its Practical Application in 2018

The Thai government recently set a target of more than tripling the consumption of biodiesel—an alternative to fossil fuel—by 2036 in Thailand, where the automobile industry is thriving. Earlier, in 2010, the National Science and Technology Development Agency of Thailand along with Japan's National Institute of Advanced Industrial Science and Technology and Waseda University, among other organizations, teamed up to launch a joint research SATREPS project aimed at manufacturing high-quality biofuel from non-food vegetable oil.

In this project, private businesses in Japan and Thailand worked together and successfully developed high-quality partially hydrogenated biodiesel that is friendly to engines. The project demonstrated the automotive and material compatibility of the newly blended fuel, commonly known as H-FAME, by adding it to diesel at ratios of 1:9 and 2:8 in on-road tests that covered a total distance of 50,000 km. As a result, H-FAME was adopted in Thailand's Alternative Energy Development Plan.

In 2017, Department of Energy Development and Efficiency began to develop the technology of manufacturing H-FAME at a plant level and conduct on-road tests of the fuel for full-fledged practical application in 2018 onward. Following the completion of the project, JICA began to provide the third country training program to other ASEAN countries, raising the expectation that H-FAME will be successfully disseminated in neighboring countries. The thenleader of the SATREPS project on the Japanese side is continuing to support the practical application of H-FAME in Thailand as a JICA Senior Volunteer.



An on-road test of H-FAME blended fuel

### **Citizen Participatory Cooperation**

**Making International Cooperation Part of Japanese Culture** 

JICA promotes and supports international cooperation activities by Japanese citizens as bridges between developing countries and Japan. JICA refers to such cooperative activities as Citizen Participatory and undertakes a variety of initiatives. Through Citizen Participatory activities, JICA aims to contribute to development with various approaches, to promote understanding of and participation in international cooperation by Japanese citizens, and further to return benefits to Japanese local communities. It is also expected that international cooperation will become part of Japanese culture through promotion of regional partnerships as the basis for Citizen Participatory activities as two-way initiatives that invigorate both developing countries and Japan.

Out of these initiatives, partnerships with NGOs, local governments, universities, and research institutions as well as support for development education are introduced below.

### Partnerships with NGOs and Other Organizations

#### Dialogue

#### **NGO-JICA Dialogue Meeting**

JICA hosts four dialogue and other meetings annually with respect to matters of mutual concern and interest as well as for the promotion of cooperation activities. The priority issues of information-sharing and exchange made in fiscal 2016 included initiatives for the Sustainable Development Goals (SDGs), promotion of NGOs' participation in technical cooperation (based on a request from the partner country's government), cooperation for development education, and initiatives with contributions to local-area vitalization.

#### Cooperation

#### **JICA Partnership Program (JPP)**

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 projects consist of two schemes: the partner type, in which projects are carried out by organizations with a certain level of experience in developing countries and the support type, in which projects are carried out by organizations with less experience in developing countries. In fiscal 2016, 51 projects for 32 countries were adopted [ → see the Case Study on page 89].

#### JICA Donation Fund for the People of the World

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 in developing countries. In fiscal 2016,

16 projects were carried out utilizing the fund in 13 countries in Asia, Africa, and other areas, and a meeting to report project achievements was held for the first time.

#### Activity Support

#### **Support Program for NGOs and Other Organizations**

JICA provides training programs that support the organizational management and enhance project execution capabilities of NGOs and other organizations engaged in international cooperation activities. In fiscal 2016, two types of training programs—JICA-planned programs, in which JICA provides training opportunities, and NGO-proposed programs, for which ideas and support for implementation are requested from NGOs and other organizations—were organized and carried out under the principal concept of partnership with NGOs and focus on areas and project sites.

#### NGO-JICA Japan Desk

Established in 20 countries, the NGO-JICA Japan Desk supports Japanese NGOs carrying out international cooperation activities at project sites in developing countries as well as enhances cooperation between NGOs or other organizations in subject countries and JICA. The desk is engaged in identification and monitoring of needs for JPP, provision of local information required for project implementation and response to related consultations, and training for improvement of project results, as well as promotion of communication between NGOs.

#### **Partnerships with Local Governments**

#### Cooperation Activities That Eventually Vitalize Regional Areas in Japan

Not limited to contributions to developing countries, JICA is also involved in partnership efforts for vitalization of regional areas in Japan. For example, JICA partners with local governments, which are positioned as particularly important partners, in the efforts of internationalization of the regions, overseas development of local governments and industries, and other related ventures.

#### Comprehensive Cooperation Agreement/Memorandums of Understanding for Cooperation

JICA and local governments have been promoting mutual cooperation by signing comprehensive cooperation agreements and memorandums of understanding (MOU) for enhancement of cooperation. In fiscal 2016, an MOU was newly concluded with Toyama City, marking JICA's eighth MOU entered into with a local government. On the other hand, five years had passed since the comprehensive agreement was signed with Yokohama City. On reviewing the achievements in terms of support for developing countries and internationalization of the city, positive outcomes

were confirmed as a result of various project plans and personnel exchange as well as enhancement of diverse partnerships, resulting in an extension of the agreement in 2016.

#### **Seminars for Local Governments**

Local governments in Japan possess a wealth of knowledge and know-how on international cooperation and are making diverse efforts based on local viewpoints. JICA organizes seminars for the sharing of such information with other local governments. In fiscal 2016, a total of 15 seminars were held throughout Japan, with an approximate total of 700 participants.

#### **JICA Partnership Program (JPP)**

In fiscal 2016, JICA adopted 49 JICA Partnership Programs (Local Government Type) that assist local governments in conducting international cooperation activities in the fields of water supply and sewage treatment, waste management, and agriculture in 18 countries.

### Partnerships with Universities and Research Institutions

As challenges faced by developing countries have become even more difficult and complicated, partnerships with universities and research institutions are indispensable for proceeding with international cooperation initiatives because of their extensive and advanced knowledge. JICA identified human resources development, enhanced partnerships between development actors, and contribution to regional revitalization as priority targets in its fourth five-year Medium-term Plan starting in fiscal 2017. JICA will further enhance partnerships with universities to expand cooperative initiatives for various fields and subjects.

#### Receiving Long-Term Participants

JICA invites competent personnel in developing countries, who are responsible for social and economic development, to Japan as participants. Among these participants, those who engage in a master's or doctoral course at a Japanese university for one year or longer are called long-term participants.

The number of accepted long-term participants has been increasing over the years. In its efforts to establish and maintain a favorable medium-term relationship with developing countries, JICA strategically expanded the acceptance scale of long-term participants in order to help overcome development challenges in developing countries, foster internationally capable human resources, and encourage local vitalization in Japan. Principal programs are outlined below:

### Master's Degree and Internship Program of African Business Education Initiative for Youth

The expected outcome of this initiative is, by creating a personal network between each African country concerned and Japan, to develop excellent businesspeople as "navigators" for Japanese businesses engaged in economic activities in Africa. In fiscal 2016, there were 348 participants from 46 African countries

invited under this program, which initially started in fiscal 2013.

### Pacific Leaders' Educational Assistance for Development of State (Pacific-LEADS)

The Pacific-LEADS program is to help foster leaders with expertise for overcoming development challenges in Pacific island countries who can also enhance the relationship between these countries and Japan as pro-Japan specialists or individuals well-versed in things Japanese. This program started in fiscal 2016, in which 41 participants from 10 Pacific countries were invited

South Africa: Support for Independent Life of Disabled People by JICA's Partnership Program (JPP)





### Expanding Empowerment for Disabled People to Live Independently

In order to encourage disabled people to participate in social life by living independently, Japanese NGOs cooperate in the promotion of support services within the framework of JPP.

In South Africa, there is no caregiver dispatch service in place, compelling a lot of severely disabled people to stay in care facilities or live with their families, and it remains difficult for them to live independently with social involvement. In 2013, Human Care Association, Tokyo, began to extend support in human resources development for the establishment of independent living centers for disabled people. The association established two centers in Gauteng Province in the country, to be operated under disabled peoples' own management. The centers began consultation services for disabled people to realize autonomous living as well as caregiver dispatch and other life-support services. Steadily encouraging disabled people to participate in social life, these efforts positively resulted in improvement in the quality of life. Afterward, support initiatives were incorporated in the provincial government's policies.

Now the Capacity Building of Independent Living Centres through Creating Accessible Environment project is being undertaken by another NPO, the Japan National Assembly of Disabled Peoples' International (DPI-Japan), with two support centers engaged in accessibility improvement of public facilities and workplaces as well as designing welfare transportation service models. Steady steps are being taken for the realization of a world where "no one will be left behind," as the Sustainable Development Goals (SDGs) says, by endeavoring to create a town where social involvement can be realized easily for everyone.



Houses being renovated with a ramp to be added for disabled people



An Afghan training participant in the PEACE program undertakes a field survey as a student of the Graduate School of Agriculture, Ibaraki University.

[ > see the Case Study on page 31].

### Project for the Promotion and Enhancement of the Afghan Capacity for Effective Development (PEACE)

By accepting Afghan civil servants and academics in the areas of infrastructure development, rural agricultural development, education, and health as JICA training participants, JICA supports their acquisition of relevant knowledge and skills at Japanese universities. This program began in fiscal 2011, and 71 participants have enrolled at Japanese universities during fiscal 2016.

#### **The Kizuna Program**

For the two-sided aims of providing development support in the mining sector of developing countries and securing a stable supply of mineral resources for Japan, this program is to establish mutually beneficial relations through fostering mining specialists in developing countries. In fiscal 2016, JICA accepted 18 participants from 12 countries for this program, which started in fiscal 2014.

#### **Project for Human Resource Development Scholarship (JDS)**

This project accepts promising young government officials and other personnel who are going to take on leadership in their respective countries. JDS fellows are expected to contribute to designing and implementing socioeconomic development plans in their countries, and at the same time to aim for expansion and enhancement of a harmonious relationship between partner countries and Japan owing to their good understanding of Japan. In fiscal 2016, there were 266 participants from 13 countries accepted to the program.

### Enhancing Partnerships and Expanding Cooperation with Universities

### Comprehensive Cooperation Agreement/MOU for Cooperation

For enhancement of partnerships, comprehensive cooperation agreements and/or MOU for partnership have been concluded between 35 universities in Japan and JICA. During fiscal 2016, JICA entered into new agreements with three universities.

#### **Technical Cooperation Project, SATREPS, etc.**

JICA is engaged in the Science and Technology Research

Partnership for Sustainable Development (SATREPS), which is a project-type technical cooperation initiative, and an effort to improve human development projects in partnership with universities [ >> see page 86].

#### **JICA Partnership Program (JPP)**

During fiscal 2016, JICA adopted 16 projects for 15 countries from among proposals made by Japanese universities.

#### **International Cooperation Field Study Program**

As part of global human resources development, JICA dispatched 39 college students to Cambodia and Laos in fiscal 2016 to allow them to experience and learn about the situation of developing countries.

#### To Promote Understanding of International Cooperation among Schoolchildren and General Citizens

**Programs for Supporting Development Education** 

#### JICA Global Plaza

At the JICA Global Plaza, located in Ichigaya, Tokyo, and the Nagoya Global Plaza in Nagoya City, Aichi Prefecture, people with abundant experiences in international cooperation serve as Global Concierges, and they 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. Global Plazas feature on-site cafes that allow visitors to enjoy international cuisines and sell fair-trade commodities. In addition, Plazas have spaces for holding seminars about citizen-led international cooperation activities as well as presentations on the outcomes of such activities [ > see the Case Study on page 91].

The cumulative total number of visitors to the JICA Global Plaza exceeded 1.5 million in January 2017, while that of the Nagoya counterpart surpassed 0.6 million in February 2017. A third facility, Hokkaido Global Plaza, was opened in the JICA Hokkaido International Center in Sapporo in April 2017. Public relations and communication activities on international cooperation are undertaken also at the 14 JICA international centers, branch offices, and training centers in Japan.

#### For Practice and Promotion of Development Education at Schools

In various scenes, including school education, JICA supports development education programs in partnership with NGOs, local governments, and schools in order to foster abilities to understand various developmental issues that the world faces and their relationships to Japan, to treat them as their own problems and proactively study them, and to participate in efforts to overcome them.

JICA develops various partnerships with the education centers and education boards of local governments as well as the Ministry of Education, Culture, Sports, Science and Technology of Japan. In fiscal 2016, the Director-General of the JICA Global Plaza attended the working group for social study, geography, history, and civics in the elementary and secondary education committee of the Central Council for Education held for revising the government course guidelines. As an expert member, he emphasized the importance of learning and thinking about contributions being made by Japan to developing countries and contemporary global issues such as refugees and conflicts.

In January 2017, a network council was held with teachers joining the networks dedicated to development education and education for international understanding, including those who once participated in the Study Tour Program for Teachers, as well as related NGO personnel. Active sharing of information and exchange of views among participants made the network council very useful for vitalization and expansion of education networks.

A symposium titled "The Future of Education Pursued from International Trends" was held in February 2017. The symposium, which included lectures by experts and a panel discussion, was open to the public. An approximate total of 140 people attended the event, and the symposium provided the audience with inspiration and motivation for even greater energy and mutual cooperation.

#### For Providing Well-Rounded Education for Children

JICA provides various educational opportunities for students, teachers, and other personnel directly involved in education.

In order for people in educational administration to expand their understanding of developing countries and international cooperation, each year the Overseas Study Tour Program is organized, in which prefectural officials in charge of educational administration are sent to developing countries. In fiscal 2016, there were 20 such officials who took part in the overseas study program.

For teachers, the Study Tour Program for Teachers allows them to observe the current conditions in developing countries and then put their experiences into practice in their classes once they have returned to Japan.

The Training Program for Development Education Leaders is held at JICA offices in Japan, in which over 9,000 people each year study development education methods and actual cases. A dedicated website is also in place to introduce teaching materials



Mr. Kan Suzuki, former Senior Deputy Minister of Education, Culture, Sports, Science and Technology, speaks at the symposium titled "The Future of Education Pursued from International Trends."

and cases of development education and education for international understanding, and is welcomed by a great number of website visitors, including those engaged in school education.

For children and students, the International Cooperation Lectures, which mainly deploys former Japan Overseas Cooperation Volunteers as lecturers, are delivered about 2,000 times per year in schools. There is also an Essay Contest on International Cooperation for Junior and Senior High School Students that received about 80,000 total applicants in 2016.

Tenth Anniversary of JICA Global Plaza





### Recording over 1.5 Million Visitors to Date, 800 Registered Organizations

The year 2016 was the tenth anniversary of the establishment of the JICA Global Plaza. JICA will be endeavoring to make the Plaza even more familiar to the general public as a place for collecting information and communicating.

The establishment of the first Plaza dates back to April 2006, which is intended to be a base for promoting international cooperation by citizens. During the past 10 years, the Plaza has accepted the registration of approximately 800 organizations undertaking international cooperation and partnership. The cumulative total of Plaza visitors is more than 1.5 million. In commemoration of the tenth anniversary, a Day of Appreciation festival was held on May 28, 2016, at the Plaza. At the festival, exhibition booths were set up by 70 registered groups, presentations of their activities were made, and talks were held by notable public figures who have keen interest in international cooperation. On the festival day, the Plaza had 1,150 visitors, the highest one-day visitor record, making it an optimal opportunity for so many citizens to get familiar with the Global Plaza.

The Plaza plans exhibitions based on the Sustainable Development Goals (SDGs) and other programs concerning SDGs on a regular basis in its efforts to provide opportunities to think about the relationship between SDGs and our daily life as well as what everyone can do for the achievement of the SDGs.



The "Transforming Our World—Sustainable Development Goals: SDGs" Exhibition, March–September 2017

### **Volunteer Programs**

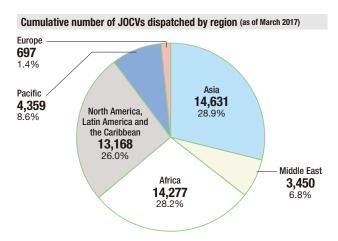
#### **Citizens-Based International Cooperation Pursued with Local People**

JICA's volunteer programs support activities by citizens who volunteer with an earnest desire 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 grassroots-level international cooperation extended by the Government of Japan and JICA and are highly praised by partner countries. Furthermore, the programs are expected to act as a means to develop human resources with global perspectives that are valuable to Japanese society.

#### Expanding JICA Volunteer Programs; More Than 50,000 Volunteers Already Sent

Twenty-nine Japan Overseas Cooperation Volunteers (JOCVs) were dispatched to the first five nations, namely Laos, the Philippines, Cambodia, Malaysia, and Kenya, in fiscal 1965. The JOCVs celebrate their 50th anniversary in 2015. Along with big changes in the environment surrounding volunteer programs over 50 years since their establishment, JICA's volunteer programs have expanded and grown. For JOCVs, recruitment targets people between the ages of 20 and 39. For Senior Volunteers, recruitment targets people between the ages of 40 and 69. 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. As well as long-term volunteers, short-term volunteers are dispatched for periods of less than one year.

In January 2017, the accumulated total number of JICA volunteers dispatched overseas exceeded 50,000, of which over 40,000 were JOCVs. The number of recipient countries is now 88. JICA volunteer activities pursued together with the local community have been continuing for more than 50 years since the program started, and are highly praised both in Japan and overseas. In August 2016, JICA was the first Japanese organization to win the Ramon Magsaysay Award, which is called Asia's Nobel peace prize [ • see page 4 for details].





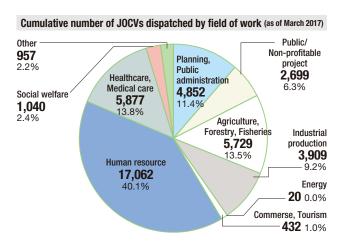
A JOCV teaching Japanese at the University of Costa Rica (Photo by Kenshiro Imamura)

In November 2016, an agreement for the dispatch of JOCVs was signed between the governments of Myanmar and Japan. In response, preparations have been under way so that the first JOCVs to Myanmar can be dispatched as early as January 2018.

JICA's volunteer programs have been enhancing JICA's basis to expand volunteers' opportunities for participation and success. The number of training sessions and dispatches of volunteers for *Nikkei* communities increased from one to two annually in April 2017. JICA will endeavor to follow this aspiration and passion continuing uninterrupted from the very first JICA volunteers, and to carry out volunteer programs and make improvements and reforms in a manner suitable to the times.

#### Contributing to Human Resource Development for Japan and the World

Lately, JICA's volunteer programs are highly regarded as opportunities to develop capabilities in solving problems, communication, dealing with diverse cultures, etc., through volunteer activities and experiences living with local people in developing countries. The JICA volunteers who have completed their missions in developing countries and returned to Japan are expected to contribute to overcoming challenges in Japanese society, such as multicultural coexistence, revitalization of



local communities, child-rearing support, and earthquake-disaster reconstruction as human resources with experiences in welcoming diverse cultures and societies, being open to dialogue, and taking actions in a variety of settings. Volunteer programs became known as programs which not only contribute to the development of developing countries but also serve to "energize Japan and the world." The number of job offers to volunteers who have returned home increased from 304 in 2009 to 1,891 in 2016. The number of authorities and organizations that have special employment quotas or preferential treatment for returned volunteers increased to 17 universities, 36 boards of education, and 70 local governments as of fiscal 2016.

JICA volunteers could be provided with opportunities to acquire a local business mind-set. In fiscal 2016 JICA established a new program of sending newly selected JICA volunteers to the local economic vitalization activities being carried out in various regions of Japan as interns, either before being sent abroad or after returning from overseas.

#### Enhancing Cooperation with Various Partners in Japan

To make use of technologies and knowledge of domestic partners, including local governments, private sector, and universities, in solving development challenges in developing countries, JICA cooperates with such entities. JICA's cooperation contributes not only to overcoming challenges faced by developing countries during the course of advancement but also to cultivating human resources for the business globalization intended by such entities. During fiscal 2016, seven volunteers were sent in partnership with local governments, 17 with the private sector, and 142 with universities [ → see the Case Study at right].

The recent increase in the number of teachers working for JICA's volunteer programs contributes to the promotion of development education and international understanding education at schools as well as responds to foreign students studying in Japan. Today, all of the prefectural governments and the 20 major cities have a special program to encourage teachers to join JICA volunteer activities without losing their teaching positions, and a cumulative total of 1,139 teachers have been sent overseas up to fiscal 2016.

#### Volunteer Programs Contributing to Diverse Challenges in Development

In addition to fighting diversifying development challenges by working together with JICA's other projects and volunteer organizations of other countries, JICA volunteer programs encompass broad areas, from identification and formulation of needs to recruiting volunteers, screening, training, and activity support for every project stage of each support area and subject.

Specifically, volunteer needs for addressing development challenges in each country are refined and clarified based on the Sustainable Development Goals (SDGs) adopted at the UN Sustainable Development Summit held in 2015, and formulated into concrete programs for each country and support area. Also, in response to the Sport for Tomorrow (SFT) international contribution program that the Government of Japan has been promoting for the 2020 Tokyo Olympics and Paralympics, JICA

has been sending volunteers in the physical education and sports areas in order to communicate the value of practicing sports to people in developing countries. JICA also intends to share its knowledge and achievements with others and make them public by joining international volunteer conferences, working with the UN volunteer programs, and collaborating with the U.S. Peace Corps as well as other measures.

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#### Thailand: Private Sector Partnership Volunteer Program



## Advancing Careers to the International Stage, Aiming for Win-Win Outcomes in Both International Cooperation and Business Performance

A company engaged in precision measurement, headquartered in Uji City, Kyoto, Japan, is still young, founded in 1989, and has only 79 employees. Prior to the launch of a new factory in Thailand, this company sent an employee to the country as a JOCV, taking advantage of JICA's private sector partnership volunteer program. Sent to Thailand, he taught machine-tool operations and CAD-based design, as well as the 5S methods (sort, set in order, shine, standardize, and sustain), which are basic principles for the manufacturing business. Looking back on his volunteer experience, the volunteer says, "I have acquired the ability to act by thinking on my own. As a result of knowing the local people's cultural background, I have also gained the capability to accept their mentality toward work and time, which is quite different from ours. It was a big advantage for me." After completing his mission, he was sent to the Thai factory as scheduled, and has been working hard there.

The company manager who decided to use JICA's private sector partnership volunteer program told of the advantages of the system, saying, "For a small enterprise like ours, it is truly tough to decide on sending an employee overseas, but we have found the volunteer has grown tremendously both in foreign language and communication abilities. It is also good for establishing a local human network. In JICA's program, we can consult with JICA and propose the partner country and time period, and we can also receive partial support for wages. It is very good stimulation for other employees of the same generation."

JICA's volunteer program contributes both to the advancement of developing countries and to fostering Japanese personnel with international perspectives. There will be even more opportunities for international cooperation and business operations for further win-win results.



A Japanese volunteer gives instruction concerning machine-tool handling at an engineering college in Thailand.

### **Emergency Disaster Relief**

#### **Saving Reachable Lives**

#### The JICA Emergency Disaster Support System

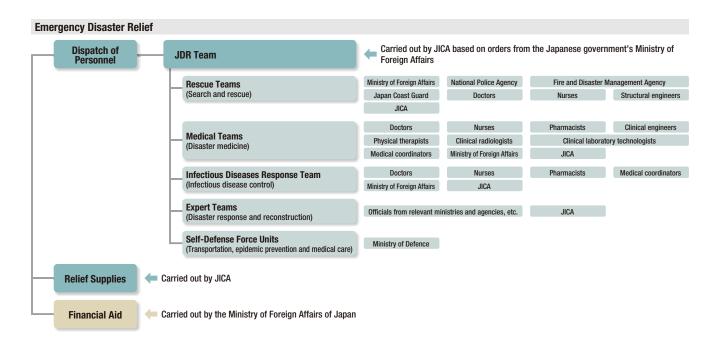
JICA dispatches Japan Disaster Relief (JDR) teams and provides emergency relief supplies when major disasters occur, mainly in but not limited to developing areas, in response to requests received from the governments of affected countries or international agencies.

JDR is composed of five teams: rescue team, medical team, infectious diseases response team, expert team, and the Self-Defense Force unit. The decision to dispatch a JDR team is made by the Minister of Foreign Affairs.

#### Operations of the Secretariat of Japan Disaster Relief Teams

#### 1. Dispatch of JDR Teams

The Secretariat of JDR at JICA is in charge of the administrative work of disaster relief operation 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 JDR Secretariat personnel for logistics support and provides various other types of support so that team members



1		Country/region	Type of disaster	Type of relief	Supplies provided
2	April 2016	Palau	Drought	Provision of supplies	Portable jerry cans, water purifiers, water tanks
	April 2016	Ecuador	Earthquake	Provision of supplies	Tents, blankets, sleeping pads
3	May 2016	Sri Lanka	Torrential rains	Provision of supplies	Blankets, plastic sheets, sleeping pads, portable jerry cans, water purifiers, water tanks, generators, water purification tablets
4	July-August 2016	Democratic Republic of Congo	Yellow fever	Infectious Diseases Response Team	First team: 11 people, second team: 6 people
5	August 2016	Former Yugoslav Republic of Macedonia	Flooding	Provision of supplies	Submersible pumps, sludge pumps, drainage pumps, generators, rock borers, electric saws, inflatable boats with motors
6	August 2016	Myanmar	Flooding	Provision of supplies	Blankets, plastic sheets, portable jerry cans
7	September 2016	Tanzania	Earthquake	Provision of supplies	Tents, blankets, plastic sheets, sleeping pads, portable jerry cans
8	October 2016	Haiti	Hurricane	Provision of supplies	Tents, blankets, plastic sheets, sleeping pads, portable jerry cans, water purifiers, water tanks
9	October 2016	Cuba	Hurricane	Provision of supplies	Tents, blankets, portable jerry cans, water purifiers, cord reels
10	November 2016	New Zealand	Earthquake	Self-Defense Force Unit	51 people
11	December 2016	Indonesia	Earthquake	Provision of supplies	Tents
12	January 2017	Chile	Forest fire	Provision of supplies	Fire-extinguishers
13	March 2017	Mozambique	Cyclone	Provision of supplies	Plastic sheets, potable jerry cans
14	March 2017	Zimbabwe	Flooding, cyclone	Provision of supplies	Tents, plastic sheets, portable jerry cans, water purifiers
15	March 2017	Madagascar	Cyclone	Provision of supplies	Tents, plastic sheets
16	March 2017	Peru	Flooding	Provision of supplies	Tents, blankets, plastic sheets, sleeping pads, portable jerry cans, water purifiers

are ensured of smooth operations in the field.

Among the JDR teams, the rescue team, the medical team and the infectious diseases response team are typical ones.

A JDR rescue team searches for and rescues people affected by large-scale disasters abroad. JDR rescue teams are classified in the International Search and Rescue Advisory Group's (INSARAG) external classification as "heavy," or the highest rank.

A JDR medical team provides medical assistance to disasteraffected people. In October 2016, the team was certified by World Health Organization (WHO) as an emergency medical team (EMT) [ > see page 5]. In February 2017, the disaster medical information standardization method called Minimum Data Set (MDS), which was developed by EMT MDS Working Group led by JDR-JICA and Israel's agency for International Development Cooperation, was adopted by WHO as an international standard. MDS is composed of 46 items that are extracted from patients' records by the EMT in the affected area and provided as a daily report to the health department of the country. These items consist of age groups, genders, pregnancy status, types of injuries or diseases, treatment status, and sanitary conditions. International standardization of these items and their definitions will enable the affected country's health department to consolidate all daily report data from the EMT and ascertain and analyze up-to-date information on the whole affected area. Going forward, the Secretariat of JDR will contribute to disseminating and enhancing the MDS.

In response to global epidemics of infectious diseases, an infectious diseases response team was established in October 2015, and JICA recruited team members and provided training sessions. The first dispatch was in July 2016 to address the outbreak of yellow fever in the Democratic Republic of the Congo [ >> see the Case Study at right].

#### 2. Provision of Emergency Relief Supplies

In order to provide affected areas with emergency relief supplies in a quick and secure manner, Secretariat of JDR procures and stores them beforehand, and keeps a stockpile of such supplies in its warehouses at five locations around the world and at United Nations Humanitarian Response Depots (UNHRD). In fiscal 2016, JICA made a total of 14 in-kind contributions and provided support for coping with various natural disasters, including a hurricane in Cuba and Haiti and a flood in Myanmar.

#### 3. Preparation for Emergency Response in Peacetime

In order to enable JDR teams to deliver prompt and appropriate assistance in times of large-scale disasters, it is essential to maintain readiness in normal times. To this end, JICA provides various kinds of training throughout the year to build the capacity of candidate JDR team members.

With regard to donor coordination, the Secretariat of JDR has been working to strengthen relationships with other international organizations concerned, including the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) and WHO. Through the Project for Strengthening the ASEAN Regional Capacity on Disaster Health Management (ARCH Project) led by the JICA Infrastructure and Peacebuilding Department, JICA also contributes to development and capacity building of the disaster

medicine cooperation system in the ASEAN region.

Recent years have seen more and larger natural disasters in the world. Accordingly, international disaster relief operations by Japan, a disaster-prone country with vast experience in disaster management, is increasing in importance. The Secretariat of JDR is strengthening cooperation with different departments and sections to provide seamless assistance for rehabilitation and reconstruction after emergency response.

Democratic Republic of the Congo: The Japan Disaster Relief Infectious Diseases Response Team was Dispatched for Outbreak of Yellow Fever





#### The First Dispatch of the Infectious Diseases Response Team Contributing to Make Definitive Diagnosis, etc.

The Japan Disaster Relief Infectious Diseases Response Team which was established in October 2015, was dispatched on July 20, 2016, to support controlling the outbreak of yellow fever in the Democratic Republic of the Congo (DRC).

The team gave technical advices for senior officers of Ministry of Health, provided technical assistance for making diagnosis of yellow fever, and supported the yellow fever vaccination campaign. The team provided test reagents to the National Institute for Research and Biomedical, which had been unable to make definitive diagnoses due to lack of reagents. Laboratory experts of the team contributed to make definitive diagnoses for more than 400 untested specimens.

This Japanese rapid response activity was highly evaluated by the DRC government, WHO, and its Regional Office for Africa (AFRO). The first dispatch also enabled JICA to gain valuable experiences and lessons for strengthening and developing the structure and capability of the team.

JICA has carried out several projects and supported activities in the health care sector in the DRC for a long time, including helping develop health workers and establish public health systems. Such efforts finally made it possible to provide seamless support that combines cooperation during peacetime with emergency assistance for an infectious disease epidemic. Going forward, JICA will continue to combine its projects with emergency assistance to provide seamless support that meets the needs of each country.



Checking the procedure of the vaccination campaign

### Research

### Intensification of Research on Japan's Development Experience and International Cooperation and Its Dissemination

The JICA Research Institute (JICA-RI) carries out research activities with two main objectives. The first objective is to conduct analysis of development issues in developing countries and contributing to JICA's operation strategies. The second is to contribute to constructive discussion on the development agenda by sharing research evidence widely and leading international policy dialogue. With these two objectives, JICA-RI conducts research activities that build on the field experiences and know-how it has accumulated as a development assistance organization.

The results of the research activities are published in the form of working papers, books, and academic journals and also widely shared at seminars, symposiums, and international conferences.

#### 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 research activities based on the field experiences and analytic results of JICA, as well as those of other development partners worldwide. It will integrate past lessons into the future development activities.

#### 3. Unraveling the East Asian experiences

JICA-RI will analyze the growth experiences of Japan and its Asian neighbors and explore the applicability of these experiences to other regions.

### 4. Sharing Experiences and Knowledge and Collaborating with the International 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.

#### Priority Research Areas

#### 1. Peace and Development

Recognizing the importance of promoting human security against diverse threats such as armed conflicts, large-scale disasters, pandemics and transnational crime, JICA-RI works on identifying more effective approaches to provide assistance. JICA-RI's research analyzes causes and factors underlying global challenges, as well as risk prevention efforts by multiple stakeholders. For example, a research project on bilateral donors' response to humanitarian crisis presented key messages and a research paper at the World Humanitarian Summit held in May 2016. The messages proposed, such as "recognize that crisis

management is not linear" and "putting 'local' at the center," were in line with the gist of the summit and were also part of the joint-declaration issued by a JICA-supported side event. Another example of the wide use of our research outcomes and findings was a think piece on the relationship between human security and human development for the Human Development Report 2016 released by the United Nations Development Programme (UNDP). The piece was inspired by past and present research on human security, including ongoing work about East Asia. Another research includes a project looking at alternative education provision for those who have had their education disrupted by conflict

#### 2. Growth and Poverty Reduction

In order to facilitate economic development and rectify internal disparities in developing countries, growth and poverty reduction must be promoted simultaneously. For this reason, JICA-RI mainly performs quantitative analysis to ascertain possible impacts of economic development and poverty on individuals and society and to propose and implement appropriate policy measures. JICA's research activities include analysis of socioeconomic effects utilizing Japan's experience and knowledge of infrastructure projects in developing countries, experimental study of poverty reduction and production expansion for small-scale farmers in Africa, survey of economic impact of overseas remittance in Tajikistan, etc., and study of encouragement of using local currency in Cambodia.

#### 3. Environment and Development/Climate Change

Regional and global environmental deterioration are major threats to human security in developing countries. JICA-RI conducts research in order to contribute to devise policies for evaluating environmental damage, effective means to manage natural resources, and ways to mitigate or adapt to climate change. As a research project on economic evaluation of climate change adaptation measures under uncertainty, JICA-RI performs an evaluation of climate change adaptation measures for irrigation projects by applying multiple climate and social changes to the Mwea irrigation scheme in Kenya as well as by representing possible uncertainties with a combination of various scenarios. In March 2017, intermediate outcomes were reported to the National Institute for Environmental Studies, the Institute for Global Environmental Strategies, and the World Bank for exchange of views on the evaluation results.

#### 4. Aid Strategies

Based on Japan's experience and knowledge, JICA-RI carries out research activities to achieve the Sustainable Development Goals (SDGs) and other global targets, as well as to discover ideal cooperation structures for human security and quality growth. The themes of JICA's research activities are diverse and include the following: features and historical transition of Japan's development cooperation; trends and effects of development

cooperation by G20 emerging economies; social and cultural influences of inclusive business; estimation of infrastructure demand in Asia; improvement in academic performance of early elementary school children in Cambodia; contributions of international volunteers in bringing change to developing countries and shaping a global civil society; and the declining fertility rate in Southeast Asia.

#### Outcomes of Research Activities

#### 1. Publications of Research Outcomes

JICA-RI compiled its research outcomes into working papers and released 25 working papers in fiscal 2016.

For example, as part of the Comparative Study on Development Cooperation Strategies: Focusing on G20 Emerging Economies research project, the size of China's foreign assistance was updated in the working paper titled "Estimating China's Foreign Aid II: 2014 Update." This paper was cited in papers for OECD G20 countries as well as in an article on the world's estimated development funds that was published by the Brookings Institute in the United States and the Overseas Development Institute (ODI) in the United Kingdom. Research outcomes have also been shared with the Institute of Development Studies (IDS) in the United Kingdom and other overseas research institutions, drawing extensive attention.

Research outcomes are also compiled as books by JICA-RI. JICA-RI released three books written in English and one in Japanese in fiscal 2016.

In May 2016, a report titled *Chile's Salmon Industry: Policy Challenges in Managing Public Goods* was released. It contains lessons and proposals based on the half-century history of Japan's cooperation in transforming Chile into a major salmon exporter. In November 2016, a book was also published titled *Efficiency, Finance and Varieties of Industrial Policy*, written based on the outcomes of New Perspectives to Industrial Development, the third joint research project with the Columbia University Initiative for Policy Dialogue (IPD) in the United States. By carrying out a study focusing on the role of industrial policies in global sustainable development, JICA-RI endeavors to draw practical lessons for development finance in developing countries.

JICA-RI also published a Japanese book titled *Mathematical Skills for Children in Central America: The 30-Year History of International Cooperation through Textbook Development*, the 16th book in the Project History series and that analyzes and compiles JICA's past international cooperation activities. This book introduces the history of Japan's educational cooperation efforts, from the activity of Japan Overseas Cooperation Volunteers in Honduras to the extensive technical cooperation projects.

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.

For example, JICA-RI conducted a joint research activity with the Brookings Institute in the United States in three phases. The fourth phase, "From Summits to Solutions: Innovations to Achieve the Global Goals," was launched in August 2016; JICA-RI is now engaged in research activities to identify necessary measures other than conventional initiatives for the SDGs and to provide new visions and assess problematic points concerning assistance trends. JICA-RI is also working on joint studies with research institutions, including IPD, the Center for Strategic and International Studies (CSIS), and the Global Development Network (GDN), a global network of development researchers [ •> see the Case Study below].

Case Stu

Joint Research on Innovation with the Center for Strategic and International Studies (CSIS)

#### The Role of Innovation in Development

In the international community today, science and technology and innovation have drawn more attention than ever before as significant economic growth factors. Since 2015, JICA-RI and the Center for Strategic and International Studies (CSIS) in the United States have implemented a joint research project to verify the potential of new measures for development agendas, such as transfer of innovative technologies to developing countries.

In the first year, a Fab Lab (a public craft center with 3-D printers, etc.) and a smart city were featured, and a case study was conducted with "Innovation and Poverty Reduction" as a theme. The outcomes of the case study were summarized in the report titled "Transformative Innovation for International Development: Operationalizing Innovation Ecosystems and Smart Cities for Sustainable Development and Poverty Reduction." The findings were also reported at two seminars in Washington, D.C., and Tokyo. At the seminar in Tokyo, in his opening speech JICA President Shinichi Kitaoka mentioned the significance of reporting results, while Mitsubishi Research Institute Chairperson Hiroshi Komiyama delivered a keynote address.

In the second year, under the theme "Contribution of Data Revolution to Achieving the SDGs," JICA-RI is currently investigating how satellite data and data from mobile devices and sensors developed by universities and private companies can be used to promote the SDGs in developing countries. Proposals based on these initiatives will be included in the year-two joint research project report.



JICA Research Institute Director Naohiro Kitano, making a remark, and Daniel F. Runde (left) from CSIS

### **Enhancing Development Partnerships**

Promoting Collaboration with Development Cooperation Agencies around the World to Achieve the SDGs More Effectively

#### Issues in Recent Years

In September 2015, the 193 member countries of the UN agreed on the Sustainable Development Goals (SDGs) as a guide for the international community to eradicate poverty and build sustainable societies by 2030. The SDGs are a set of goals for all nations—not only developing countries but developed ones as well. They call for cooperation among all kinds of stakeholders, including the private sector and civil society, which play an increasingly important role in development cooperation.

It is estimated that the developing world will need trillions of dollars annually to achieve the SDGs, which also cover new and emerging issues such as climate change. As the percentage of ODA in the total financial flows to developing countries declines in relative terms, it is more and more important for these countries to mobilize and increase their own domestic resources as well as various external resources, including private investment for development purposes. The OECD's Development Assistance Committee (OECD DAC) is now discussing ways to modernize its methodologies to better capture various kinds of financing for development. Specifically, for the first time in about forty years, OECD DAC is considering the modernization of definitions of ODA and development financing as well as the means to measure the performance of ODA.

#### Collaboration with Other Partners for Development Cooperation

For achievement of the SDGs in particular, a necessary level of financing and its efficient use are required. To materialize more effective and efficient cooperation, collaboration among donors enables to bring different set of expertise and technologies. And when the scale of development projects is large, or when a single organization cannot meet the required needs of various technical skills, collaboration could be a solution. Dissemination of JICA's experience and knowledge through participation in international discussions on development cooperation will not only improve the quality of international development initiatives, but also will increase the understanding of Japan's experiences, approaches and ODA principles, and will raise its profile in the international arena.

In 2016, JICA attended the International Monetary Fund (IMF)/ World Bank Spring Meeting in April, the Asian Development Bank (ADB) Annual Meeting and the World Humanitarian Summit in May, the Sixth Tokyo International Conference on African Development (TICAD VI) in August, and the Third UN Conference on Housing and Sustainable Urban Development (HABITAT III) in October. JICA executive officers gave keynote addresses and spoke as panelists at many side events on recent development issues where they explained JICA's position, activities, and policies.

JICA regularly holds strategic discussions with some of its development partners. In fiscal 2016, the Third High-Level



World Bank Group President Jim Yong Kim (left) and JICA President Shinichi Kitaoka held talks at JICA Headquarters in May 2016.

Dialogue between the presidents of the World Bank Group and of JICA was held for strategic-level discussions on subjects including health and disaster risk reduction (DRR), resilient and sustainable cities, and collaboration in the Middle East and Northern Africa (MENA). JICA also had annual or regular discussions with other international organizations, such as the ADB, the UN Development Programme (UNDP), and the Office of the United Nations High Commissioner for Refugees (UNHCR).

#### Partnerships with Emerging Countries and South-South and Triangular Cooperation

In recent years, emerging countries such as China, the Republic of Korea, Thailand, Indonesia, Brazil, and Turkey have become development cooperation providers. JICA has attached much value in sharing a variety of development approaches and issues with such emerging countries based on the experience of Japan that was Asia's sole DAC member for many years. JICA continues to hold periodic bilateral discussions with development partners in China and the Republic of Korea, namely the Export-Import Bank of China, Korea International Cooperation Agency (KOICA), and Economic Development Cooperation Fund of the Export-Import Bank of Korea (EDCF). In addition, JICA, together with the Export-Import Bank of China, the EDCF, and the Neighboring Countries Economic Development Cooperation Agency (NEDA) of Thailand, holds quadripartite discussions among Asian development finance institutions.

The international community evaluates highly JICA's years of experience in South-South cooperation and triangular cooperation, both of which are designed to share the development experiences of emerging and developing countries. In fiscal 2016, JICA took the opportunities offered by the UN Global South-South Development Expo and other international forums to share its expertise, experience, and good practices with the international community.

### **JICA Starts Working on Achieving the SDGs**

In February 2016, JICA launched a SDGs Mainstreaming team within the organization to promote the SDGs and started organizational practices to achieve the goals.

First of all, JICA held study meetings for staff working at the head office and sites in Japan and overseas. A total of more than 1,300 people attended the 24 meetings, where they acquired basic knowledge about the SDGs and learned about domestic and international trends. Next, JICA held discussions with all departments on its approach to the SDGs, summarizing them in a position paper, as a whole and as each goal separately, issued in September 2016. Based on this,

JICA is now increasing projects to contribute to the SDGs.

In addition, JICA is endeavoring to further strengthen partnerships toward achievement of the challenging SDGs. Specifically, as well as holding symposiums and other events to encourage the participation of Japanese private companies, NGOs, and universities in SDG efforts with JICA, in March 2017 JICA opened a special exhibition titled "Transforming Our World: The SDGs" at the JICA Global Plaza to increase interest in the SDGs and deepen understanding among the partners and citizens.

#### The Sustainable Development Goals (SDGs)



#### **Examples of Efforts**

#### Assisting the Planning and Implementation of the SDGs in Developing Countries



Since the SDGs consist of 17 wide-ranging goals, priority issues differ depending on region and country. For developing countries in particular, it is necessary to strategically align the SDG objectives and targets to its National Development Plan (NDP) and to promote efforts in an effective manner.

### Working together with the Indonesian government

Centered on BAPPENAS (National Development Planning Agency), the Indonesian government is promoting the SDGs while establishing consistency with its own development plan and strategy. In January 2016 the Indonesian government set up the SDG Secretariat within BAPPENAS, and in July 2017 a presidential decree was issued to further facilitate efforts.

Responding to a request from BAPPENAS, JICA cooperated with the SDG Secretariat and other BAPPENAS departments and assisted the formulation of (1) targets and indicators, (2) an action plan, and (3) a monitoring and assessment setup for the promotion of the SDGs by the Indonesian government.

#### Regionwide initiative in Africa

The Sustainable Development Goals Center for Africa (SDGC/A) was established in the Rwandan capital of Kigali in January 2017 as a regionwide body with the aim of achieving the SDGs throughout Africa as a whole.

The composition of the SDGC/A's board of directors, which consists of presidents of African countries, university professors, and representatives of private companies, shows that the idea behind its launch was born in Africa. At the opening ceremony, Rwandan President Paul Kagame said that Africans must themselves contribute to improving their lives and that he had great expectations for the role of the SDGC/A as a "Knowledge Wisdom Center"

In Africa, where countries face similar issues, the practice of model projects in multiple countries and the creation of forums for learning together are effective. Utilizing the means and perspectives of capacity development, knowledge sharing, and the ownership of developing countries, which JICA has emphasized so far, JICA will collaborate with the SDGC/A and contribute to the achievement of the SDGs in Africa.



The opening ceremony of the SDGC/A. On the far right is JICA Vice President Takao Toda. (Photo courtesy of the Government of Rwanda)



### **Technical Cooperation**

#### 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.

Recent years have seen increasingly diversified needs in developing countries, including climate change mitigation and adaptation, assistance in establishing legal systems, and support for peacebuilding and reconstruction. JICA works with people in developing countries to formulate cooperation programs that meet local needs. Based on these programs, JICA provides multi-tiered assistance involving human resources development, organizational strengthening, policy formulation, and institution-building.

#### 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 specialists (the counterparts) of a developing country (the partner country). At the same time, they cooperate with these counterparts to develop and disseminate technologies and systems that are suitable for the partner country. With a close focus 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 meet the needs of the partner country 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., Knowledge Co-Creation Program's Group and

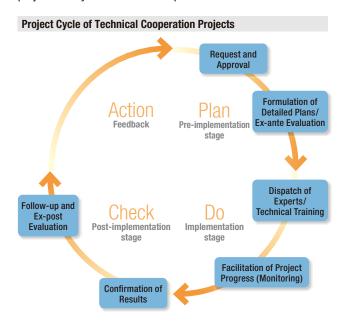


Studies of Anti-viral and Anti-parasitic Compounds from Selected Ghanaian Medicinal Plants: A JICA expert and his counterparts trying to extract a substance that might be effective in controlling HIV infection from an herb indigenous to Ghana at the Noguchi Memorial Institute for Medical Research. (Photo by Akio Iizuka)

Region Focus courses, Country Focus courses or Young Leaders courses) [ >> see page 104 for details]. JICA also organizes overseas technical training programs in third countries, other than the partner countries and Japan.

#### 3. Technical Cooperation Projects

Technical cooperation projects, which use the optimal combination of the "dispatch of experts" and "technical training" as well as a variety of components that include the 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.



#### **Implementation Process**

#### (1) Project Identification and Formulation

JICA identifies and formulates technical cooperation projects through interactive activities, such as discussions with the partner country and needs assessment by JICA overseas offices.

#### (2) Request and Approval

Based on the request for technical cooperation projects from the partner country, the Ministry of Foreign Affairs of Japan, related ministries and agencies, and JICA consult on approval of the project. Projects approved by the Japanese government are reported to the partner country. In addition to that, *note verbales* concerning the technical cooperation projects are exchanged through the diplomatic channel.

#### (3) Formulation of Detailed Plans and Ex-Ante Evaluation

In order to clarify details and expected outcomes of the technical cooperation project and to examine whether the project

implementation framework would be appropriate, a detailed planning survey is conducted and ex-ante evaluation is conducted by JICA.

### (4) Project Implementation and Facilitation of Project Progress (Monitoring)

Before starting the project, JICA and the governmental organization (the partner organization) of the partner country sign the Record of Discussions (R/D) regarding project implementation, details of the activities, and necessary measures for the project.

During the project, based on the plan formulated in the planning phase, JICA and the partner organization implement the project through regular monitoring. The outcomes are then reviewed at the end of the project.

#### (5) Follow-up and Ex-Post Evaluation

After project completion, if difficulties in sustainability circumstances arise later, despite improvement efforts and endeavors by the partner country, complementary assistance (follow-up cooperation) can be provided by JICA to support the measures taken by the partner country. Ex-post evaluation is conducted about three years after project completion, and the evaluation results are then shared as lessons learned and used as a reference when formulating and implementing similar projects.

#### 4. Technical Cooperation for Development Planning

JICA assists developing countries in formulating policies and public works plans. In the process, JICA transfers surveying, analyzing, and planning techniques to counterparts in the partner countries. This type of cooperation includes masterplan studies designed to support the formulation of policies and projects; emergency support studies focusing on recovery and



Postal Service Capacity Improvement Project: A JICA expert giving advice on how to improve mail sorting operations for better postal deliveries at the central post office in Yangon, Myanmar. (Photo by Shinichi Kuno)

reconstruction of basic infrastructure that has been damaged by a natural disaster, armed conflict, etc.; and feasibility studies for projects to be implemented by the partner-country government or other development partners.

Following the completion of this cooperation, the partner countries are expected to conduct the following: (1) Formulate plans for sector/regional development or rehabilitation/reconstruction; (2) Implement projects with funds available; and/or (3) Carry out organizational/institutional improvements.

### 5. Science and Technology Research Partnership 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 between Japan and the partner country for developing and applying new technologies and acquiring new scientific knowledge. SATREPS will help address global challenges (environment and energy, disaster prevention and mitigation, infectious diseases control, food supplies and other problems) by using partnerships that encompass Japanese universities and research institutions, etc. and those in developing countries [ > see page 86 for details].

#### **JICA-Net:**

### Toward International Cooperation That Transcends the Restriction of Time and Distance

JICA-Net is a distance technical cooperation modality provided by JICA. It expands the possibility of international cooperation through activities such as joint work and learning of technologies across distant sites, and studies using digital archives on development experiences in Japan and in developing countries.

#### JICA-Net Library

JICA-Net library is operated to assist JICA activities by storing and publishing multimedia-based learning materials, seminar materials, and other digital contents that were developed in JICA's technical cooperation.

JICA-Net digital content is distributed through the JICA-Net Library.



JICA-Net Library URL:

→ JICA website https://jica-net-library.jica.go.jp/en2/index.html

### The Knowledge Co-Creation Program (KCCP)

#### Globally Unique Knowledge Co-Creation Program

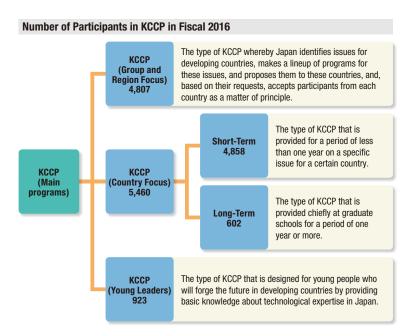
Implementation methods of JICA's technical cooperation can be divided into two approaches. One is overseas cooperation by dispatching experts and volunteers in various development sectors to developing countries; the other is domestic cooperation by inviting participants from developing countries to Japan. The latter method is the Knowledge Co-Creation Program, formerly called a Training Program, and it is one of the core programs carried out in Japan. By inviting officials from developing countries and with cooperation from domestic partners, the Knowledge Co-Creation Program provides technical knowledge and practical solutions for development issues in participating countries.

JICA hosts approximately 10,000 participants every year in cooperation with its nine international centers and three branch offices across Japan. The majority of the participants are affiliated with the partner governments and are decision makers, technical advisors and practitioners, concerned strategic personnel, and so forth. Moreover, there has been an increase in NGO-affiliated participants and academic participants, reflecting the diversified needs of developing countries and capacity expansion of Japan's cooperation programs. The Knowledge Co-Creation Program is undertaken in cooperation with universities, research institutes, private-sector enterprises, public-interest organizations, NGOs, and other organizations as well as central and local governments.

Implementation of the Knowledge Co-Creation Program has significance with regard to the utilization of Japan's development experience and know-how

by adapting them to each partner country, rather than only sharing Japan's advanced technologies and skills. To learn and understand Japan's knowledge, skills, and experience, it is often required that on-site experience concerning Japan's institutional know-how is put into practice, as well as the background and the transitions underlying Japan's social system.

One of the specific characteristics of the Knowledge Co-Creation Program is to provide an opportunity for participants to become aware of and reexamine the issues and challenges 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 courses of the Knowledge Co-Creation Program, the Group and Region Focus courses, in which participants are from several different countries, provide opportunities to participants to examine a variety of issues not only from the perspectives of Japan and their own countries but also from multifaceted





Participants work on Japanese fishing lifestyles and challenges at Himi Fishery Network Gallery Totoza in Himi City, Toyama Prefecture, in the Fishery Using Resource Management Approach Course under KCCP (Young Leaders) for French-speaking countries in Africa. (Photo by Chubu Branch Office, Japan Overseas Cooperative Association)

viewpoints among all participating countries by exchanging opinions and information. Group and Region Focus courses thus offer valuable insights and discoveries to each participant.

The Knowledge Co-Creation Program, a globally unique program in terms of its scale and diversity, is an essential tool of JICA's technical cooperation utilizing Japan's own knowledge, skills, and development experiences to promote human resource development and to solve development issues in partner countries.

### Multifaceted Benefits of the Knowledge Co-Creation Program

The goal of the Knowledge Co-Creation Program is to contribute to solving development issues in partner countries; meanwhile, the program also has achieved many other benefits.

To date, over 340,000 people have participated in the Knowledge Co-Creation Program, and the participants have met numerous Japanese people during their stays in Japan and



Participants learn how to build good partnerships with community members on the farm of the NPO Saihara engaged in community revitalization in Uenohara City, Yamanashi Prefecture, in the course on Community Based Development with Local Residents as Main Actors under KCCP (Group and Region Focus).

returned home with a deeper understanding and familiarity of Japan by learning about it. Meanwhile, on-site activities designed in the program also benefit Japanese society. For instance, private sector and public organizations can obtain direct information about developing countries and build relationships that may lead to expansion of their overseas operations and capacity. In addition, university students and researchers can acquire a greater global perspective by interacting with the participants. As a result, the Knowledge Co-Creation Program creates additional benefits of invigorating various regions of Japan and fostering its people with global attitudes and knowledge.

Again, the Knowledge Co-Creation Program contributes to solving issues in developing countries. In addition, promotion of understanding of Japan, revitalization of Japan's regional communities, and fostering global human resources are other important benefits of the program. Consequently, JICA implements the Knowledge Co-Creation Program by being aware of these



Participants experience blind soccer at JICA Yokohama in Kanagawa Prefecture to learn about the mutual benefits of persons with and without disabilities playing sports together in the course on Promotion of Inclusive Education / Special Needs Education under KCCP (Group and Region Focus). (Photo by Shinichi Kuno)

significant benefits.

#### Implementation of the Strategic Knowledge Co-Creation Program

For implementation of the Knowledge Co-Creation Program, JICA has strived to establish the program to emphasize the multifaceted aspects of its outcomes. Meanwhile, to strengthen the quality of the program with better effectiveness and efficiency, JICA ascertains the trends in other cooperation modalities and also examines all development issues, such as education, agriculture, etc.

In 2015, JICA reviewed the significance of its Knowledge Co-Creation Program and redefined it as three main functions: (1) a fundamental role in realizing effective international cooperation; (2) an opportunity to encourage participants, who will forge the future in developing countries, to understand Japan; and (3) a contributor to globalizing Japan's regional communities. Along with the current remarkable growth of developing countries, JICA understands them as important partners and will improve and enhance the Knowledge Co-Creation Program based on the concept of "co-creation," which produces new values through interactive learning among the participating countries and Japan. JICA will further strengthen the Knowledge Co-Creation Program, which can tackle newly emerging issues, crosscutting issues and Japan's policy challenges.

In addition to the Knowledge Co-Creation Program, JICA is working on organization-wide efforts to provide a more flexible and strategic approach mainly for senior officials and policy makers. This approach aims to deepen the participants' understanding of Japanese technologies, development experiences, and principles through conversations and discussions with Japanese high officials and concerned agencies.

### **Finance and Investment Cooperation**

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, in addition to poverty, global issues such as HIV/AIDS and other communicable diseases, air and water pollution, climate change, conflicts and terrorism, and financial crises have emerged. To address these issues, the international community set the Sustainable Development Goals (SDGs) as common goals, while individual countries have formulated a host of measures.

Finance and Investment Cooperation provides relatively large amounts of development funds under concessional terms to developing countries and regions to support their efforts for growth and development.

#### **ODA Loans**

#### Support and Emphasize Ownership by the Developing Country

Ownership of developing countries is crucial for economic growth and poverty reduction in these countries. ODA Loans, which require repayment, promote efficient use of the borrowed funds and appropriate supervision of projects, thereby bolstering developing countries' ownership in the development process. In addition, as ODA Loans are financial assistance with a repayment obligation, this method of assistance places a relatively small fiscal burden on the Japanese government and represents a sustainable instrument for ODA.

#### Flow of ODA Loans: Project Cycle

ODA Loans follow six steps, and lessons learned from ex-post evaluations implemented at the final stage will be fed back into

Project Cycle

1
Project Preparation

Completion of the Project / Ex-post Evaluation and Follow-Up

5
Project Implementation

Approval by the Cabinet / Exchange of Notes and Loan Agreement

preparations for new projects. This flow of steps is called 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, and 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 policyoriented 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 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 cofinancing 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.

## **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 the private sector. Private-Sector Investment Finance (PSIF) 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.

## Scope of Support

PSIF 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) SDGs and poverty reduction; and (3) climate change.

## Organizational Structure of Risk Assessment and Control

PSIF 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 PSIF through an

independent account<sup>1</sup> and is reinforcing its capacity for project implementation, risk assessment and management.

## Issuance of Social Bonds as the First Issuer in the Domestic Market

**JICA Bonds Contributing to Achieving the SDGs** 

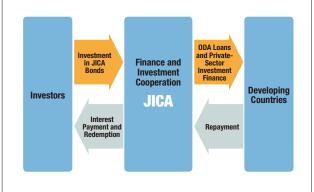
JICA has been issuing bonds (called JICA bonds below) since 2008.

In recent years, responsible investment, which incorporates environmental, social, and governance (ESG) factors into investment decisions, has been attracting investor's attention. Meanwhile, social bonds, whose proceeds are used for projects that address social issues, along with green bonds can be seen more often in the market than before.

In June 2016, the International Capital Market Association released guidance that defines social bonds, and JICA launched the first social bond in the domestic market in September 2016, responding to investor's request to label its bond a social bond.

JICA bonds are aligned with the character of social bonds, where proceeds are exclusively used for social projects in developing countries, and reporting, including external evaluation results, have been disclosed after the completion of each project to ensure high transparency.

Issuance of JICA bonds enables mobilization of financial resources of the private sector in Japan for the benefit of developing countries, which is one of the policy measures of the Government of Japan to achieve the SDGs. JICA will continue its funding through JICA bonds as social bonds and establish its firm investor base, which also contributes to stable funding.



<sup>1.</sup> In the Private-Sector Investment Finance independent account, loans totaled ¥5,970 million, affiliate companies' stock was ¥43,634 million, and investment securities were ¥2,646 million as of March 31, 2017. Ordinary revenues were ¥13,791 million (including dividends on investments of ¥13,645 million) and net income was ¥9,833 million in the year ended March 31, 2017. 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, etc.) are not included in the independent account revenues and expenses.

## **Grants**

## Building Foundations for the Future of Developing Countries

Grants are a type of financial assistance in which funds are granted to a developing country to support construction work or services such as procuring equipment and materials that are necessary for socioeconomic development. Since Grants are financial assistance with no obligation for repayment, they target mainly developing countries with low income levels.

Assistance is provided mainly for development of socioeconomic infrastructure, such as hospitals, schools, water supply systems, irrigation systems, roads, bridges, ports, and power supply. In recent years, assistance has also been extended for peacebuilding, developing business environments, disaster prevention and reconstruction after disasters, measures to cope with climate change, and development of human resources for those who will play important roles in their own countries' policymaking.

Where necessary, technical guidance for operation and maintenance is also provided so that the facilities and other systems financed by Grants are sustainably managed.

### Project Cycle

Grants are carried out in a project cycle consisting of six major steps, as described in the chart.

- JICA conducts a preparatory survey as a part of project preparation. In the preparatory survey, JICA examines the appropriateness of the project and develops an outline of the project together with the government of the partner country.
- The Japanese government receives an official request for the project from the partner country.
- 3 JICA examines and appraises the contents of the requested project and conducts an ex-ante evaluation.
- Project Cycle

  1
  Project Preparation
  2
  Official Request

  Samination/
  Appraisal,
  Ex-ante Evaluation

  Approval by the Cabinet/Exchange of Notes and Grant Agreement

- Based on the result of JICA's appraisal, the Japanese government approves the project to be financed by Grants at the Cabinet level. Then, the government of the partner country signs the Exchange of Notes and Grant Agreement with the Japanese government and JICA, respectively.
- As the main conductor of the project, the government of the partner country implements the project, whereas JICA, respecting the partner country's ownership, monitors the progress of the project and gives advice to the stakeholders in order to ensure proper and smooth implementation.
- After completion of the project, JICA conducts an expost evaluation, and where necessary provides follow-up cooperation to resume the performance of the equipment and facilities as well as to support the activities for disseminating the project outcome. Feedback from the evaluation will be utilized for preparing new projects.

By applying this project cycle sequence, from the planning stage to ex-post evaluation, JICA conducts strategic and effective operation of Grants.

## Types of Grants Implemented by JICA

## 1. Project Grants

This is a type of Grant in which the government of a partner country enters contracts with consultants or contractors to build facilities or to procure equipment and materials. It is mainly used for establishing foundations for basic human needs or for building socioeconomic infrastructure.

## 2. Sector Grants

This is a type of Grant in which multiple subprojects are implemented in a flexible manner under a single Grant program. When assisting restoration or reconstruction from disputes or disasters, prompt and flexible responses to a variety of rapidly changing needs are required. Therefore, this type of Grant was applied to a project to support Syrian refugees in Jordan, and to a project for restoration and reconstruction after disasters caused by Typhoon Yolanda that struck the Philippines in November 2013.

### 3. Grants in Association with an International Organization

This is a type of Grant in which an Exchange of Notes and a Grant Agreement are signed with an international organization to implement a project for the government of a partner country while making use of the expertise of the international organization.

## 4. Grants through Budget Support

This is a type of Grant in which budget support is provided for a developing country for purposes such as the promotion of a poverty-reduction strategy that is a comprehensive development plan for the country's socioeconomic development.





Garbage collection vehicles that have been provided to Sudan with grants are decorated with stickers featuring *Captain Tsubasa*, a Japanese anime program that has been broadcast from the early 1990s in the country and is widely popular among children and adults alike. Along with JICA's cooperation, *Captain Tsubasa* plays a part in building a garbage collection system that can win cooperation from local residents.

There are three categories in this type of Grant:

- (1) general budget support, in which purposes and expense items are not specified;
- (2) budget support for a sector in which purposes and expense items are limited to a certain sector; and
- (3) budget support for a common fund in which support is given to a special account opened by the government of a partner country or a supporting agency.

## Recent Initiatives—Improving the System and Management of Grants

Grants have greatly contributed to socioeconomic development in developing countries and, by extension, to better bilateral relations between Japan and these countries. Now it faces a number of challenges, including budgetary constraints under Japan's severe fiscal conditions and growing project-related risks associated with worsening security conditions. Some even criticize the institutional rigidities intrinsic to Grants.

These circumstances prompted JICA and the Ministry of Foreign Affairs (MOFA) to hear the opinions of development consultants, construction companies, and trading firms. They then studied ways to improve the system and management of Grants for more effectiveness. They came up with key corrective measures as shown below:

### Tax exemption

The Government of Japan has been requesting partner countries to exempt supplies and services procured for Grants from taxation. Going forward, JICA will work with MOFA to identify supplies and services that should be eligible for tax exemption. It will also share tax-related information with businesses interested in relevant bidding.

### Responsibilities of partner-country governments

In the process of conducting preparatory surveys in partner countries, JICA will unequivocally identify the responsibilities of their governments and monitor their compliance more closely in order to ensure that they fulfill their responsibilities, including the responsibility to secure land for projects.

### · Improving estimates

JICA will secure adequate time and money needed for estimates conducted by development consultants. It will also try to improve estimate accuracy by examining the requested monetary amounts more closely and by making better use of preliminary studies.

# **Operations Evaluation**

JICA conducts evaluations of projects, including Technical Cooperation, Finance and Investment Cooperation, and Grants in line with the plan-do-check-action (PDCA) cycle. Aiming to improve the development results of assistance efforts, JICA utilizes a common framework for monitoring and evaluation that encompasses the project formulation, implementation, post-implementation, and feedback stages while taking into account the features of each assistance scheme, the assistance period, and the time frame for expected results.

# 1. Steps of Evaluation along the PDCA Cycle of a Project

[ > see the figure above]

# 2. Coherent Methodologies and Criteria for Three Assistance Schemes

JICA conducts evaluations and utilizes the findings based on a standardized framework and evaluation methodology, while also recognizing that there are differences in operational characteristics among the three assistance schemes. For example, JICA conducts monitoring and evaluation along the PDCA cycle, using the Criteria for Evaluating Development Assistance laid out by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) as an international ODA evaluation criteria. JICA also uses its own standardized rating system across all evaluations.

## Evaluation Perspectives Using the DAC Criteria for Evaluating Development Assistance

Evaluating Development Assistance		
Relevance	Examines the extent to which the aid activity is suited to the priorities and policies of the target group, recipient, and donor. Does the goal of the aid activity meet the needs of beneficiaries? Are the activities and outputs of the program consistent with the overall goal and the attainment of its objectives?	
Effectiveness	Measures the extent to which a program or a project attains its objectives.	
Impact	Examines positive and negative changes as a result of the project. This includes direct and indirect effects and expected and unexpected effects.	
Efficiency	Measures the outputs in relation to the inputs to determine whether the aid uses the least costly resources possible to achieve the desired results.	
Sustainability	Measures whether the benefits of the project are likely to continue after the closure of the project.	

PDCA Cycle			
Plan	Do	Check	Action
Ex-ante evaluation	Monitoring (project progress promotion)	Ex-post evaluation	Feedback
Prior to project implementation, the relevance, details, and expected outcome of the project, along with evaluation indicators, are examined.	Project progress is promoted through periodical monitoring in accordance with a plan made in the "plan" phase and cooperation results are confirmed at the completion of the project.	After the completion of the project, the relevance, effectiveness, impact, efficiency, and sustainability of the project are examined. Ex-post monitoring examines measures and actions taken based on lessons learned and recommendations offered at ex-post evaluation.	Evaluation results are reflected in the present project for improvement and also utilized as reference for planning and implementation of similar projects.

## 3. Cross-Sectoral and Comprehensive Evaluation through a Thematic Evaluation

JICA conducts thematic evaluations, in which multiple projects are selected for comprehensive and cross-sectoral evaluation and analysis; specific development issues and assistance methods are also chosen for evaluation. Thematic evaluations have a different perspective from that of project evaluations, and provide recommendations and lessons common to the selected sector.

### 4. Ensuring Objectivity and Transparency

JICA conducts external evaluations for ex-post evaluations that provide an objective view of project implementation results. An external third-party makes objective evaluation judgments for projects over a certain size. In addition, results of the evaluations are published on the JICA website to ensure the transparency of these evaluations. Furthermore, in order to improve the quality of evaluation, advice on the evaluation framework, structure, and the entire system is provided periodically by the Advisory Committee on Evaluation.

## 5. Emphasis on the Utilization of Evaluation Results

JICA's project evaluations put a high value on quality improvement of the "plan" and "do" phases of the PDCA cycle by utilizing evaluation results in the next step of the "action" phase: the use of evaluation results or feedback. To achieve this, JICA utilizes recommendations, lessons learned, cross-sectoral analyses, and results of thematic evaluations to further strengthen JICA's strategies for cooperation, including cooperation programs and the JICA Thematic Guidelines. JICA also shares the evaluation results with partner governments so that they can utilize the results for their national projects and programs and development policies.

#### Ex-post Evaluation\_Case Study

**Burkina Faso (Grant)** 

# Project for Rural Water Supply in the Regions of Central Plateau and South Central

External Evaluator: Yasuo Sumita, Global Link Management, Inc.

## Effects of Project Implementation: Effectiveness, Impact

The project was implemented for the purpose of contributing to the improvement of reliable access to safe drinking water by constructing facilities and developing the operation and maintenance systems. An increase of 90,000 people or more served by the constructed water supply facilities of the project was confirmed, and the number of facilities operational at the time of ex-post evaluation was 294 (98.3%) among the total of 299. Abnormalities and problems relating to water quality were not reported, and the amount of water required was supplied.

It was confirmed that working hours and school hours increased due to the reduction of water-fetching labor. Hygiene awareness was disseminated by hygiene education during the project, and waterborne diseases have been reduced among the water users. There was no negative impact on the environment, and the project has been carried out with no resettlement. In light of these points, it can be concluded that planned effects were largely achieved.

Therefore, the effectiveness and impact of the project are high.

#### Relevance

At the time the project was planned, many people in the rural areas had poor access to hygienic drinking water, and women and children were forced to engage in the strenuous labor of fetching water. There is also a need to

keep improving access to safe drinking water in the target areas of the project at the time of ex-post evaluation. In light of this, the project has been relevant to the development policies and development needs of Burkina Faso during project planning and ex-post evaluation as well as Japan's ODA policy at the time of project planning. Therefore, its relevance is high.

#### **Efficiency**

The 299 deep wells with hand-pump facilities were constructed out of the target value of 300. All the activities for the project's capacity building programs were conducted as planned, and items borne by the Burkina Faso side were carried out without problems. Although the project cost was within the plan, the project period was longer than planned. Therefore, efficiency of the project is fair.

## Sustainability

Although the current situation for operation and maintenance of the facilities is favorable, there is a revised operation and maintenance system being established, and the rate of progress differs according to the location. Residents' understanding of the revised system is also not adequate. Moreover, the water sector in Burkina Faso is largely dependent on funds from development partners. As stated above, some minor problems have been observed in terms of the future system and the financial status. Therefore, the sustainability of the project effect is fair.



## Conclusion, Lessons Learned, and Recommendations

In light of the above, the project is evaluated to be satisfactory.

Lessons learned: (1) It is important to select appropriate implementation sites where favorable maintenance will be continued and the operation rate will be high. Evaluation criteria related to resident ownership was used in addition to water source and water quality surveys when the target sites were being shortlisted. It is considered that keeping in mind maintenance after construction of the facility, the selection of the sites for implementation as such will lead to sustainability of the project. (2) Appropriate selection of the management entity and implementation of capacity building that contributes to the stable operation and maintenance of the facilities is also important.

Recommendations to the implementing agency: Toward the development of the revised operation and maintenance system currently being promoted throughout the country, (1) strengthening of staff and budget allocation to the responsible administrative agency, (2) establishment and implementation of appropriate monitoring and an evaluation plan, and (3) formulation of a communication strategy for enlightening people and an advocacy strategy to stakeholders regarding the importance of the water supply system.

 $[ \implies JICA's \ Web \ page: https://www2.jica.go.jp/en/evaluation/pdf/2015\_0960130\_4.pdf]$ 

## **Analyzing Processes of Realizing Expected Results\_Case Study**

India (ODA Loans)

## Process Analysis on "Delhi Mass Rapid Transport System Project" in India (ODA Loans)

The Delhi Mass Rapid Transport System Project (also known as the Delhi Metro project) in India is noted as one of the most successful ODA projects. In fiscal 2016, JICA conducted a process analysis focusing on the implementation stage of the project, in addition to the ex-post evaluation. JICA introduced the project ethnography approach to this exercise that involves interviews with a wide range of project stakeholders and collected information on various episodes that it could not pick up through the ex-post evaluation based on the Five DAC Criteria. These episodes reveal the difficulties faced by those involved in the project, the ingenious contrivances to which they resorted and

the impacts the project achieved. The findings are presented in a storyline so that each reader can draw lessons of their own.

Following are the table of contents and excerpts from the report "Breaking Ground—A Narrative on the Making of Delhi Metro." This narrative inspires readers to ask themselves the following questions: What did leadership mean to the Delhi Metro project? What shortened the construction period for Delhi Metro and enabled an earlier start of operation than planned? What are the lessons learned from the Calcutta Metro project which is allegedly an unsuccessful case? What transformation is taking place in the life of Delhi citizens?

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Note to the Readers

Prologue

- 1. Delhi Metro Project
- 2. Beginning of the Beginning
- 3. Making of Delhi Metro
- 4. Branding Delhi Metro (Media Strategy)
- 5. Changing the Lifescape of Delhi
- 6. Riding into the Future

Afterwords

Bibliography

Map of Delhi Metro

Endnotes

[ \Rightarrow JICA's Web page: https://www.iica.go.ip/activities/evaluation/ku57pg000001zf034-att/analysis en 01.pdf]

# **Recruiting and Training Human Resources**

Aid needs are becoming increasingly more complex and diverse all the time. It has become extremely difficult to secure professionals capable of responding to ever changing needs. JICA has been undertaking a variety of programs for training and recruiting eligible people.

#### Training Human Resources for the Future

#### 1. Internship Program

The Internship program is open primarily to undergraduate and graduate students in order to deepen their understanding of international cooperation as well as to develop them as professionals for international cooperation in the future. During fiscal 2016, JICA accepted a total of 105 interns at JICA offices in Japan and abroad and at overseas project sites.

## 2. Master Degree Scholarship Program

JICA offers one-year scholarships for study at overseas graduate schools in order to foster professionals in development aid. In fiscal 2016, four students were sent, and they are now engaged in master's course studies to deepen knowledge in their respective fields for practical application at development sites. In fiscal 2017, three others are to be dispatched.

## 3. Associate Expert Program

This program is to provide young professionals who have a certain level of expertise, career, and overseas activity experience in fields where human resources shortages are anticipated in the mid- to long-term. Each year around 15 participants attend the training, and they are dispatched as experts when they complete the training.

## Development of Personnel Ready to Work at Project Sites

JICA provides professionals who have experience working in developing countries as JICA experts as well as candidates for them with short training courses to present information concerning recent aid trends and opportunities to acquire practical skills. In fiscal 2016, a total of 23 courses were held, ten of which were newly planned courses in response to actual needs, including courses titled "Governance (Local governance) Regional Revitalization in Collaboration between Japan and Developing Countries" and "Partnership with the Japanese Private Sector."

Also, on a monthly basis JICA organizes courses on international cooperation designed primarily for young development consultants, pre-dispatch training sessions for professionals soon to be sent abroad, and counter-terrorism safety seminars and self-defense training based on the latest actual security conditions.

### Securing Capable Personnel

JICA endeavors to secure people who have ample operational

Overview of Programs in Fiscal 2016			
Training Human Resources			
Internship Program	105 participants		
Master Degree Scholarship Program	4 participants		
Associate Expert Program	27 participants		
Capacity Enhancement Training	560 participants		
Pre-Dispatch Training for JICA Experts	365 participants		
Counter-terrorism Safety Seminars and Self-Defense Training	1,658 participants		
Security Management Training in Collaboration with UNHCR eCenter	27 participants		
Recruitment			
JICA Senior Advisors	106		
Special Advisors	56		
The Comprehensive International Cooperation Career Information Website "PARTNER"			
Number of those registered on PARTNER as human resources for international cooperation	10,602		
Number of those registered under the simplified registration system	12,667		
Number of employment information (other than JICA)	3,703		
Number of career consultations	264		

experience in developing countries as senior advisers and special advisers, ready to be sent to overseas international cooperation project sites at any time. The former, especially, contribute to the improvement of JICA projects based on their excellent expertise in their respective specialist fields.

### Expansion of HR Base for International Cooperation

In response to the proposals given at the Second Consultative Committee on ODA Reform, a website of JICA called the Participatory Network for Expert Recruitment (PARTNER) was designed with the principles of promoting international cooperation activities on an all-Japan basis. PARTNER is a comprehensive forum, providing information concerning a broad range of actors, such as international organizations, development consultants, international cooperation NGOs and NPOs, national and local governments, universities, and private companies, including SMEs, as well as JICA. With more than 23,000 individuals and over 1,000 companies and organizations registered, PARTNER is widely utilized as a common international cooperation platform from which information can be obtained concerning a great number of employment opportunities, training courses, seminars, and various events.

PARTNER also organizes seminars, events, and consulting sessions in relation to international cooperation career development. In fiscal 2016, seminars for international cooperation human resources were held in Tokyo, Osaka, and Hokkaido in which various actors in international cooperation areas were introduced. Job seminars were also held to provide information concerning actual international cooperation efforts, focusing on subjects like environmental management, Africa, and SME support projects.



# **Corporate Governance**

## **Internal Control**

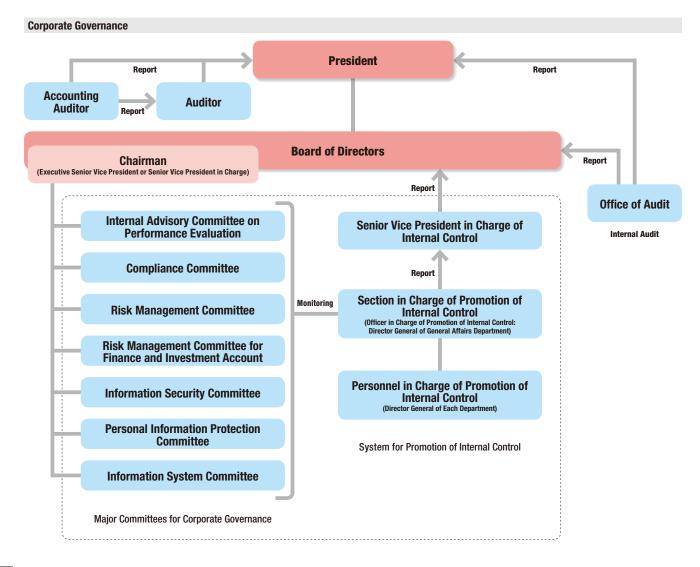
In order to improve the effectiveness and efficiency of its operations, to comply with laws and other rules, and to accomplish objectives as stipulated in the Act of the Incorporated Administrative Agencies—Japan International Cooperation Agency, JICA has developed a corporate governance structure.

Specifically, in order to promote internal control as laid out in the Act on General Rules for Incorporated Administrative Agencies, JICA has established an internal control system, where under the President, who represents JICA and presides over its operations, the Senior Vice President in charge of general affairs takes charge of internal control along with the Director General of General Affairs Department, who takes charge of its promotion in the organization. The status of internal control is monitored on a regular basis, and reported to and deliberated on the Board of Directors.

JICA has also established the Office of Audit as an independent section that conducts internal audits to ensure the efficiency and effectiveness of its operations. Furthermore, JICA receives audits from auditors and accounting auditors, and maintains the quality of its governance by firmly following up the results of the audits.

Moreover, JICA strives to raise awareness regarding internal control by developing rules for internal control and a series of manuals to set out standard operating procedures, and also promote internal control activities through reference document: "Internal Control at JICA."

For important areas of internal control, JICA sets up committees that deliberate on relevant issues and take necessary precautions. JICA has also established contact points for internal and external whistleblowing to ensure that needed information is communicated from parties inside and outside of JICA.



## **Performance Evaluation**

## Framework for Performance Evaluation and Operational Management Review

In accordance with the Act on General Rules for Incorporated Administrative Agencies, JICA prepares its five-year Medium-term Plan and an Annual Plan, and operates based on these Plans in order to achieve the Medium-term Objectives set by competent ministers (e.g., Minister of Foreign Affairs for JICA). JICA also performs self-evaluations at the end of each fiscal year and each five-year Medium-term Plan period. Through these efforts, JICA aims more effective and efficient operation of projects with the PDCA cycle.

More precisely, JICA prepares self-evaluations on its annual operational performance, compiles them into a Performance Report, submits it to the competent ministers, and publishes it. The ministers evaluate the report, give feedback to JICA and also publish it, and may order JICA to improve its operational management based on the results of the ministers' evaluation. At the end of each Medium-term Objectives period, the ministers conduct overall review on JICA's operations and organization, examining necessity for the continuation of each operation and the retention of organization itself, and take necessary measures to reflect these decisions in the next Medium-term Plan based on the results.

Meanwhile, the Committee on the System of Evaluating Incorporated Administrative Agencies, established under the Ministry of Internal Affairs and Communications, states its opinions, as necessary, on the content of Medium-term Objectives, Medium-term evaluations conducted by the competent ministers, and the necessary measures to be taken at the end of a Medium-term Objectives period, as described in the previous paragraph. This mechanism ensures the objectivity of the evaluation system.

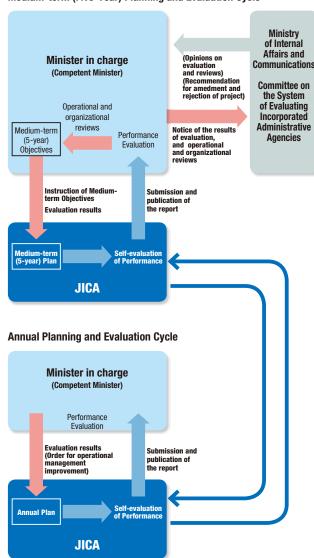
## Results of Performance Evaluation for Fiscal 2015

The 3rd Medium-term Plan (business year 2012 to 2016) prioritized 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. JICA has been promoting strategic initiatives based on analyses on each country, region, issue, and sector. Such initiatives include promotion of a program approach that incorporates technical cooperation, Finance and Investment Cooperation, and Grants in a comprehensive manner; strengthening of partnerships with private sector, local governments, NGOs, and universities; and enhancing contribution to Japan's leadership roles in the international community. To support the good implementation of these projects, JICA would continuously take measures to improve the flexibility of organizational management, promote competitiveness and transparency in its contracting process, and enhance cost efficiency.

As a result, JICA received an evaluation from the competent ministers as a whole to achieve the intended target in fiscal 2015. Among them, the items that were found to have achieved results

Framework for Performance Evaluation and Operational Management Review

Medium-term (Five-Year) Planning and Evaluation Cycle



that exceeded the intended target, and the main results are listed in the table [ $\rightarrow$  p.116].

Regarding "safety measures," however, it was evaluated to be lower than the intended target (grade C), and based on the case of the Dhaka terrorist attack in July 2016, it was considered indispensable to build a complete safety management system. With this result in mind, JICA will work for drastic strengthening of safety measures [ > see Security and Safety Management on page 119].

## Overview of Performance Evaluation Results for Fiscal 2015 (Grade by Item)

**Major results** Item **Grade S** (Items having produced remarkable results that exceeded the initial goals) Implementation of Strategic Contribution to the Infrastructure Systems Export Strategy (e.g. Life Saving Center Development Project in **Economic Cooperation for** Cambodia) Activities on development and distribution of nutritious weaning foods in Ghana with Ajinomoto Co., Inc. that the Strategy of Global Outreach were awarded the Nikkei Social Initiative Grand Prize Prompt establishment of infectious diseases response team in Japanese Disaster Relief Team **Disaster Relief Activities** Leading emergency assistance for the earthquake disaster in Nepal **Grade A** (Items having produced results that exceeded the initial goals) Achievement of the international commitment to achieve the Millennium Development Goals (MDGs) Poverty Reduction International evaluation on the scaling up of project outcomes (Winning the DAC Awards to the Hospital (Contribution to the Achievement of MDGs) KAIZEN Approach adapted 5S-KAIZEN, and to Strengthening Teachers' Performance and Skills through the School-Based Continuing Professional Development Project in Zambia) Sustainable Economic Growth Contribution to achievement of the commitments declared at the Fifth Tokyo International Conference on African Development (TICAD V) and the Pacific Islands Leaders Meeting, as well as to promoting Japan-ASEAN cooperation Promotion of Build Back Better concept in the earthquake disaster in Nepal Addressing Global Issues Publicity at the 21st Conference of the Parties on United Nations Framework Convention on Climate Change (COP21) Collaboration with the Japan Aerospace Exploration Agency (JAXA) on illegal logging monitoring Dissemination of land mine-removal efforts in Cambodia to other countries Peacebuilding Response to the Syrian crisis Continuation of projects in cooperation with other organizations in Afghanistan, Sudan, and other areas where the dispatch of JICA-related personnel is restricted Contribution to Japan's Leadership in Reflection of priority issues in the 2030 Agenda for Sustainable Development Publicity at a UN summit and international conferences on Universal Health Coverage (UHC) the International Community Memorandum signed with the Asian Development Bank (ADB) concerning the cooperation framework for Quality Infrastructure ■ Contribution to government plans concerning NGO cooperation Partnerships with Diverse Actors such Efforts for the policy on regional revitalization in Japan as NGOs and Private Enterprises Specific initiatives to enhance the potential of collaborative projects with stakeholders in Japan Effective publicity at the 50th anniversary of the founding of Japan Overseas Cooperation Volunteers **Volunteer Programs** Contribution to Japanese government's Sport for Tomorrow initiative through dispatching sports volunteers Citizen Participatory Cooperation Scaling up of citizen participatory cooperation Review of NGO support programs Contribution to consideration of next school curriculum guidelines Fostering Human Resources for Encouragement of broad participation of the young to international cooperation Improvement of internship programs Development (Training and Securing Human Resources) **Technical Cooperation,** Strategic formulation and implementation of projects Start of policy recommendation studies Finance and Investment Cooperation, and Grants Improvement of the ratio of gender-related projects **Gender Equality** Contribution to developing the National Action Plan regarding Women, Peace, and Security **Operations Evaluation** Ensuring transparency of external evaluation Statistical analysis of project evaluation results

<sup>\*</sup> Details of the JICA performance evaluation by the competent ministers are available on the website of Ministry of Foreign Affairs.

<sup>\*</sup>The results of performance evaluation for fiscal 2016 and the 3rd Medium-term Objectives period are scheduled to be released (in Japanese) by the competent ministers after August 2017. http://www.mofa.go.jp/mofai/ms/pe\_ar/page24\_000483.html

## **Compliance and Risk Management**

## **Compliance Policy**

- JICA shall improve the transparency and fairness of its operations and financial activities in order to secure public trust.
- (2) JICA shall contribute to the sound development of the international community through development assistance in order to secure the trust of the international community.
- (3) JICA shall meet the needs of developing regions and swiftly and flexibly provide quality services.
- (4) JICA shall consider natural and social environments when conducting its operations.
- (5) JICA shall communicate well with various levels of society and maintain an organizational culture of transparency.

### Compliance Framework and Risk Management

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. A compliance system is essential for appropriate operational management. Based on this understanding, JICA has defined principles of conduct as compliance policy.

Compliance is one of the objectives of internal control. To properly embed a compliance framework, an Incident Reporting system, Whistleblowing system and Outsider Reporting system which have been established to prevent violations of laws and internal regulations, to secure proper and prompt response to violations, and to prevent the reoccurrence of violations. JICA also works on prevention of fraud and corruption to avoid bribery and other unacceptable acts to be identified in the projects funded by JICA. 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 and serves as behavioral guidelines for each of the officials and staff.

In order to deliberate and consider various issues related to compliance, the Compliance Committee, which is chaired by the Executive Senior Vice President, is held regularly, and also monitors any compliance-related matters that violate laws and internal regulations.

Identification and assessment of risks are fundamental components of internal control. JICA defines risks as those factors that will act as barriers to its operations. To achieve organizational

objectives and plans, such as the Medium-term Plans, in an effective and efficient manner, JICA assures implementation of risk management systems and performs risk identification and assessment for the smooth running of its projects.

All departments in JICA annually review and assess risks that are relevant to their operations. On that basis, JICA classifies potential major risks to its management and operation. Important major risks are identified, discussed, and confirmed by the Risk Management Committee and the Board of Directors. Measures against each risk are discussed and examined to strengthen organizational responses.

#### Activities in Fiscal 2016

In fiscal 2016, JICA continued to accept and respond to cases provided through the Consultation Desk on Anti-Corruption, the Whistleblowing system, and Outsider Reporting system, which were strengthened in fiscal 2014, while people involved in ODA projects were encouraged to always be aware of compliance matters. In order to raise compliance awareness of people involved in ODA projects and resist inappropriate demands from counterpart governments or their related agencies, JICA and the Ministry of Foreign Affairs jointly published and distributed business card-size "Anti-Corruption Policy Guide." JICA also provided ODA-related companies with seminars to explain the policy guide and its anti-corruption efforts.

For improvement of compliance awareness, JICA held training sessions for its staff members based on the compliance manual, which was significantly revised in fiscal 2015. JICA also conducted seminars to prevent the mishandling of paperwork that is likely to occur in an organization. In addition, training sessions were also provided to experts and other related personnel.

JICA offers various training opportunities and seminars, and dispatch support personnel to overseas bases, to encourage its staff members and related personnel to raise their risk awareness.

## Financial Risk Management of Finance and Investment Cooperation

The operations of the Finance and Investment Cooperation 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 Cooperation.

More specifically, risk management of Finance and Investment Cooperation 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.

#### 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 Cooperation 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 financer, 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. 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 to make proper self-assessments of the 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 hedges exchange rate risks, which may arise from foreign currency-denominated loans and the Japanese ODA Loan with Currency Conversion Option, by way of issuing foreign currency-denominated bonds, as well as currency swaps, etc.

Moreover, when foreign currency-denominated investments are extended in PSIF, 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 the 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**

High crime rate is deeply entrenched in many developing countries due to poverty and insufficient management capacity in the security sector. In addition, many countries face increasing risk of traffic accidents associated with inadequate transport infrastructure, unskilled driving techniques and manners. Furthermore, security conditions are exacerbated by political instability, social upheaval, coups, and prolonged civil wars and terrorist attacks. Responding to those risk factors, JICA enhances multifaceted security and safety measures in order to ensure safe and secure activities in field operations.

Following the Dhaka terrorist attack in July 2016 which resulted in several casualties including individuals of JICA project and the evacuation from South Sudan due to deteriorating public order, the Ministry of Foreign Affairs of Japan and JICA established the Council on Safety Measures for International Cooperation Projects. Based on the final report of the Council which was released in August 2016, JICA takes following enhanced measures along with other security efforts.

## Strengthening Security Information Network and Partnership with Aid Agencies

In order to ensure timely risk assessments and information sharing with frontline workers based on latest security trend in the constantly changing environment, JICA collects security information from various resources such as security advisers and consultants across overseas offices, media, external resources, the Government of Japan and donors. In order to collect information effectively, JICA collaborates with aid agencies such as United Nations for security information sharing purposes. JICA will continue to develop security network to diversify information resources.

## Overseas Travel Regulation and Code of Conduct

JICA is responsible for ensuring security for JICA personnel and sets travel regulations for those dispatched for projects in developing countries. Therefore, prior to the dispatch of the personnel, overseas travel regulation and code of conduct are provided to minimize security risks during their travel and stay in overseas countries. JICA shares the regulation to the individuals who are engaged in ODA projects and advices about how to reduce risks of common crimes and terrorist threats. JICA also provides pre-departure briefing sessions to the personnel who travel to countries which require additional caution due to unstable security situation.

The number of cases of crime that affected JICA personnel in fiscal 2016 was 315 (396 in fiscal 2014 and 399 in fiscal 2015).

The number of traffic accidents that affected JICA personnel was 119 (with 118 in fiscal 2014 and 114 in fiscal 2015).

## Security Checks of Residence and Project Sites

JICA exercises residential security checks of personnel to secure safety and supports installation of security measures such as reinforced fences, doors and window frames, iron bars and auxiliary locks, security guards etc.

In fiscal 2016, security review mission was dispatched to Bangladesh to review and improve local security measures of each project site. The security review missions will continue throughout fiscal 2017 in 24 countries.

Furthermore, JICA continues to work on strengthening preventive and protective security measures of overseas offices in case of rapid deterioration of security or emergency situations. Arrangement of evacuation sites and emergency transportation are in progress.

## Security Training for ODA Project Members

JICA provides security training and road traffic safety training for long-term experts and volunteers and their families. Since 2003, JICA jointly hosts field security training with the Office of the United Nations High Commissioner for Refugees (UNHCR) e-Center and provides self-defense training on kidnapping, insurgency, and other potential risks including terrorism for JICA personnel and other individuals. In October 2016, JICA commenced security and safety measures training and self-defense training in Japan to respond to the increasing needs for counter-terrorist measures in recent years. These trainings are offered widely to short-term experts, individuals engaged in ODA Loan and Grant projects and NGO personnel. In the lecture, the participants are exposed to various cases of threats including terrorism, kidnapping, robbery, and insurgency, and learn how to mitigate the risks. In selfdefense training, participants learn how to protect themselves in cases such as explosion and mass shooting.

In addition to above training sessions, in fiscal 2017 JICA offers on-site security trainings to individuals engaged in Japanese ODA in overseas countries.

## Establishment of Emergency Communication System for Overseas Offices and Headquarters

JICA has security emergency system in each country to communicate with JICA personnel in cases of emergency. Japanese companies engaged in ODA Loan and Grant projects are also encouraged to register with the emergency system. JICA maintains a standby system in Japan that can effectively receive



Emergency drill conducted jointly by JICA and the UNHCR in Thailand

Counter-terrorism Safety Seminars and Self-Defence Training Sessions Held in Fiscal 2016			
Type of seminar and training	Number of seminars and trainings held	Number of participants and viewers	
Lecture	11	1,273 participants	
Practical training	6	385 participants	
Total	17	1,658 participants	
Webinar	_	6,642 views	

and handle emergency calls from overseas offices 24 hours a day, 365 days a year.

## Dispatch of Security Survey Missions

JICA dispatches security survey missions to assess local safety conditions and to implement country-specific safety measures. Based on analysis of those local security conditions, JICA makes appropriate decisions on the range of JICA personnel activities and necessary safety measures to implement. In fiscal 2016, missions were dispatched to eight countries. The survey results are reflected in the security measures for each country. To deal with general crimes, JICA dispatches a security advisory mission to provide safety guidance. The guidance covers prevention of residential and other crimes. The advisory mission was dispatched to 16 countries in fiscal 2016. Depending on the volume of traffic accidents, JICA also dispatches missions to provide instruction on traffic safety. Traffic safety missions were dispatched to five countries in fiscal 2016.

## Security Measures for Peacebuilding and Reconstruction Assistance Areas

Since many JICA personnel are assigned for peacebuilding and reconstruction assistance in Afghanistan, Iraq, Pakistan, Palestine and Mindanao in the Philippines, JICA closely monitors regional political and public security conditions on daily bases, and sets safety measures including restriction on travel areas and hours.

## **Information Security and Personal Information Protection**

Up to now, JICA has engaged in information security and protection of personal information by developing internal regulations such as the Information Security Management Rules and Personal Information Protection Bylaws.

Regarding information security, cyber threats have become increasingly serious, as represented by targeted email attacks and attacks on Web servers. In this situation, JICA has further strengthened information security by revising the Information Security Management Rules and the Information Security Management Bylaws in order to establish information security standards complying with the Common Standards of Information Security Measures for Government Agencies that were stipulated

based on the Basic Act on Cyber Security, which was revised in April 2016.

JICA has also strengthened personal information protection by revising the Implementation Bylaws Concerning Personal Information Protection in order to comply with the Act on the Protection of Personal Information Held by Independent Administrative Agencies, etc. that came into effect in May 2017.

Today, there is a growing need for stricter information security and personal information protection. JICA will respond to the demand through offering necessary training and seminars to our staff members as well as establishing and fostering a response team to tackle future information security—related problems.

## **Information Disclosure**

In accordance with the Act on Access to Information Held by Independent Administrative Agencies, JICA, through its website and other means, provides access to below information:

## Information Related to the Organization

Objectives, overview of operations, relationships with Japanese government programs; overview of organization; laws and regulations; salary and retirement allowance for board members; salary and retirement allowance for staff; business continuity plan; etc.

#### Information Related to Operation

Business Report; Performance Evaluation Report; Mediumterm Objective; Medium-term Plan; Annual Plan; etc.

## Information Related to Finance

Financial statements, etc.

## Information Related to the Evaluation and Audit of the Organization, Operation, and Finance

Performance evaluation documents; administrative evaluation and supervisory reports; accounting audit reports; etc.

## Information Related to Procurement and Contracts

Information related to noncompetitive negotiated contracts; bidding lists; etc.

### Information on Related Entities

Recipients of financing activities; the status of related publicinterest corporations; etc.

#### For More Information

Please refer to the JICA website for details.

Information Related to Disclosure

- → JICA website "Home" page
- → Information Disclosure https://www.jica.go.jp/disc/index.html (Japanese only)

Information Related to the Protection of Personal Information

- → JICA website "Home" page
- → Privacy Policy

https://www.jica.go.jp/english/policy/index.html

## **Efforts to Improve Management of Organization and Operations**

Based on the Medium-term Objectives and Plan, JICA has been working on improvement of the organizational management and operations. Above all, JICA has placed priorities on areas such as improvement of the mobility of organizational management and streamlining as well as rationalization of working procedures. Specific case examples are as follows:

## Improvement of Mobility of Organizational Management

In view of development assistance policies, assistance needs in developing countries, and changes in domestic and international environments, JICA conducted a prompt and flexible reform of headquarters as a result of review of the expected functions and roles of departments and divisions in order to strengthen safety measures, and promote quality infrastructure and university collaborations.

Furthermore, in order to strengthen the functions of overseas offices, organizational structure of overseas offices has been reviewed and fortified. Additionally, the headquarters strengthened its support system for overseas offices.

JICA will continue to facilitate organizational operation that

can flexibly correspond to changes in domestic and international environments.

## Streamlining and Rationalization of Working Procedures

JICA promotes the streamlining of administrative services to improve flexibility to meet domestic and international expectations for Japan's development cooperation. JICA worked on the following operational improvements in fiscal 2016:

- ▶ To simplify the selection of contractors and settlement procedures, the procurement procedures for Proposal-Based Program have been streamlined.
- To rationalize procurement systems at overseas offices, the support system from the headquarters has been strengthened.
- ▶ To streamline the administrative procedures for expert dispatch, acceptance of training participants, and volunteerrelated services, preparation for development of new information system was completed.
- ➤ To simplify and consolidate accounting operations, the countermeasures to reduce operation loading and to prevent incidents and errors were considered and tested.

## **Efforts to Better Global Environment**

On April 1, 2004, JICA announced the Environment Policy as the basic principle toward the environment and took the first step toward the implementation of the Environmental Management System (EMS). In recent years, there have been even greater demands to properly fulfill civic obligations such as compliance with environmental laws and regulations. Therefore, JICA has switched to its own EMS after ISO 14001 certification expired 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 Policy Guidelines**

As stated in the Law on General Rules of Japan International Cooperation Agency, JICA's mission is to "Contribute to the promotion of international cooperation and to the sound development of Japan and the international socioeconomy by contributing to the development or reconstruction of the economy and society, or economic stability of overseas regions which are in the developing stage," particularly to global environmental protection incompliance with environmental laws and regulations. Furthermore, in order to prevent and reduce negative environmental impacts that result 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 measures through international cooperation activities

Based on the Japanese government's Official Development Assistance (ODA) policies, JICA will promote cooperation activities for the protection and improvement of the environment.

- Promotion of activities for general environmental awareness With the aim of raising public awareness, JICA collects information about environmental issues.
- 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.

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:

## JICA website

https://www.jica.go.jp/english/our\_work/social\_environmental/index.html

# **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. JICA runs projects with appropriate ESC put into practice in accordance with the ESC Guidelines.

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.

[ https://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 followings:

### 1. Reinforcement of ESC

JICA provides various assistance to project proponents etc. to ensure that appropriate ESC are put into practice. For example, in the planning stage of a project JICA may provide assistance for the survey and other procedures related to ESC within its Preparatory Survey or Detail Design. JICA also enhances the capacity of project proponents etc. in ESC through Knowledge Co-Creation Programs 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.

### **Environmental Categories**

#### **Category Description**



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.

- Project whose impacts on the environment and society are less adverse than that of category A.
- Project that has a minimal or virtually no impact on the environment and society.
- 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.

#### 2. 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 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

<sup>\*</sup> The current ESC Guidelines apply to projects requested in July 2010 onward. For projects requested by June 2010, either JICA's former ESC Guidelines (April 2004) or JBIC's Guidelines for Confirmation of Environmental and Social Considerations (April 2002) apply, depending on the scheme.

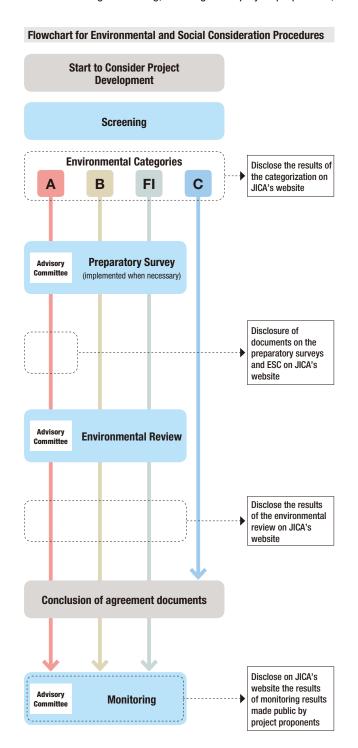
of the project based on the EIA report and other documents related to ESC. Then JICA evaluates the proposed measures for avoidance, minimization, mitigation, or compensation for the adverse impacts, as well as measures to enhance the positive impacts on the environment and society.

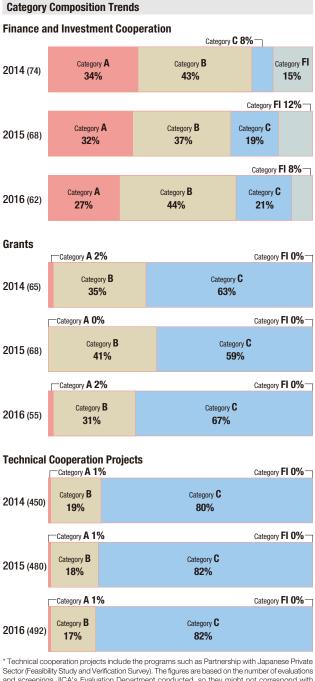
JICA secures the transparency of the Environmental Review by disclosing relevant documents including the EIA report on its website prior to the process.

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. More and more projects that are subject to the current ESC Guidelines—which were put in force more than six years ago—are now in their implementation stages. Accordingly, JICA continues with its monitoring surveys that began in fiscal 2015 and focuses on strengthening the monitoring verification framework.

## 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.





and screenings JICA's Evaluation Department conducted, 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%

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 2016, there were 11 plenary meetings held as well as 24 meetings of Working Group in which the group of committee members assigned by the plenary meeting investigated the particular project, and the committee provided advice on examination and support of ESC for 20 projects.

The list of the committee members and the minutes of plenary meetings (in Japanese) are available on JICA's website. [→ https://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 noncompliance 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. [ https://www.jica.go.jp/english/our\_work/social\_environmental/objection/index.html]

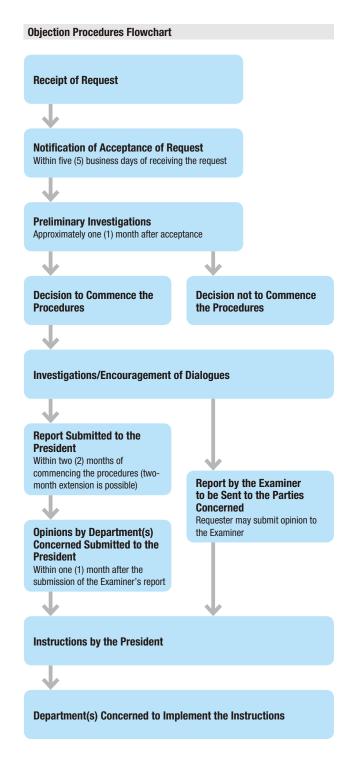
During the course of fiscal 2016, no objection was received.

## 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 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 involve 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. [ >> https://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 development partners including the World Bank and Asian Development Bank by maintaining close coordination and engaging in a joint mission on ESC in projects that are co-financed by other development partners. JICA also participates in international conferences and other events concerning ESC to keep up to date with global trends and to share its experiences, thus contributing to the improvement of the overall ESC.

## **Public Relations Activities**

From its headquarters and offices in Japan and overseas, JICA actively disseminates information concerning challenges faced by developing countries and their relations with Japan, and an array of JICA initiatives, in a manner to meet various people's interest and concern.

In fiscal 2016, JICA engaged in public relations activities taking advantage of the opportunities of international conferences and events, including the Tokyo International Conference on African Development (TICAD), the International Conference on Maternal and Child Health (MCH) Handbook, and the 2016 Summer Olympics in Rio de Janeiro.

#### Website and Social Media

For general public, JICA's website and social media present issues surrounding developing countries, JICA's initiatives together with outcomes, and other features based on actual cases.

Since fiscal 2016, JICA has strengthened the utilization of social media and now provides useful information both in Japan and overseas through Facebook, Twitter, and YouTube.

## JICA Magazines

The JICA monthly Japanese magazine *mundi* and its quarterly English magazine *JICA's World* contain special features related to JICA initiatives, incorporating recent global trends and upcoming international conferences.

## For the Media

For Japan's media, JICA's headquarters as well as domestic and overseas offices issue press releases in a timely manner. JICA also conducts workshops that cover certain issues, countries, or regions in which JICA provides the media with information concerning its cooperation activities. For overseas media, JICA overseas offices issue press releases. In addition, in fiscal 2016, JICA headquarters invited journalists from 14 African countries to Japan in advance of the TICAD, providing them with opportunities to cover Japan's experiences that can contribute to overcoming development challenges in Africa.

## Events

It is also important for JICA to host events in order to disseminate information directly to Japanese general public concerning its activities carried out in developing countries. In cooperation with the Ministry of Foreign Affairs and relevant NGOs, in fiscal 2016 JICA organized the Global Festa Japan in Tokyo, the World Collaboration Festival in Nagoya, and One World Festival in Osaka, which a great number of visitors attended.

## JICA Official Supporters

Mr. Tsuyoshi Kitazawa, a former member of the Japan national football team, and Ms. Naoko Takahashi, the women's marathon gold medalist at the Sydney Olympic Games, have been working as JICA official supporters, and they visited Myanmar and Bhutan, respectively, in fiscal 2016. They learned about the up-to-date situation and JICA's support in these developing countries, and their visits were broadcasted on TV.

#### Initiatives by Domestic and Overseas Offices

Domestic offices actively provide the respective local media with information on international cooperation led by local governments, universities, small and medium enterprises (SMEs), Japan Overseas Cooperation Volunteers, and other local organizations and individuals.

Overseas offices have made efforts at building relationships with local media in each country through carrying out press tours for them to visit JICA's cooperation sites as well as holding seminars for reporters of Japanese media overseas.

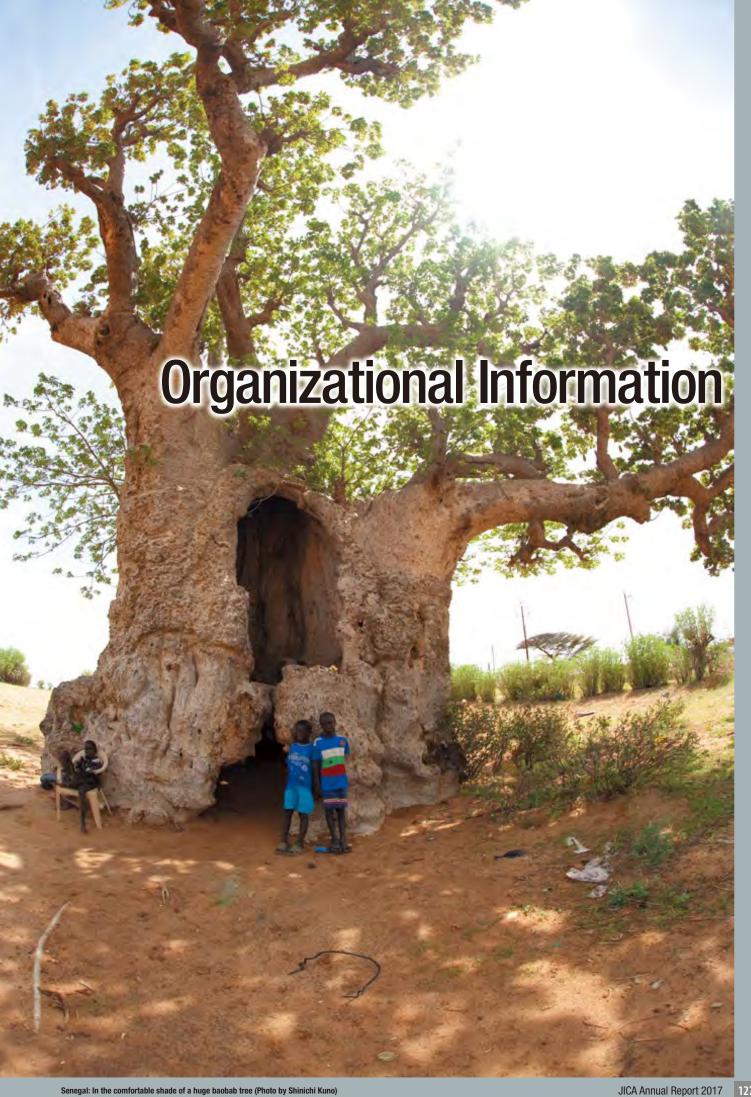


## Nantokashinakya Project

The Nantokashinakya (We Need to Do Something) Project, so-called Nan-Pro, is promoting international cooperation through public participation. The project is jointly operated by the Japan NGO Center for International Cooperation (JANIC), the United Nations Development Programme (UNDP) Tokyo Office, the United Nations Information Centre (UNIC) Tokyo, and JICA. In partnership with more than 130 celebrity members and over 260 member organizations that agree with the concept of Nan-Pro, this project shares information on the situation in developing countries and opportunities related to international cooperation. It is intended to familiarize young people with international cooperation by holding events and disseminating information on websites and social media, and to promote interest in and action for international cooperation widely in society.



Mr. Sakana Kun, a Nan-Pro member, visited the Amazon in Brazil and observed local activities for biodiversity protection. The famous young Japanese fish scientist communicated the importance of efforts to protect the natural environment through TV programs.



# **History of JICA**

## The former Japan International Cooperation Agency

	·
January 1954	The Federation of Japan Overseas Associations is established.
April 1954	The Society for Economic Cooperation in Asia is established.
September 1955	The Japan Emigration Promotion, Co., Ltd. is established.
June 1962	The Overseas Technical Cooperation Agency (OTCA) is established.
July 1963	The Japan Emigration Service (JEMIS) is established.
April 1965	Japan Overseas Cooperation Volunteers (JOCV) Office is established by OTCA.
May 1974	Act of Japan International Cooperation Agency is promulgated.
August 1974	The Japan International Cooperation Agency (JICA) is established.
April 1986	Japan Disaster Relief (JDR) Team is formed.
December 2001	The reorganization and rationalization plan for special public institutions is announced by the Japanese government. Included in this reform plan is a measure transforming JICA into an incorporated administrative agency.
December 2002	The Law concerning the Incorporated Administrative Agency Japan International Cooperation Agency is promulgated.
September 2003	The Special Public Institution – JICA is dissolved.
October 2003	The Incorporated Administrative Agency – JICA is established.

# The former Overseas Economic Cooperation Fund and the former Japan Bank for International Cooperation

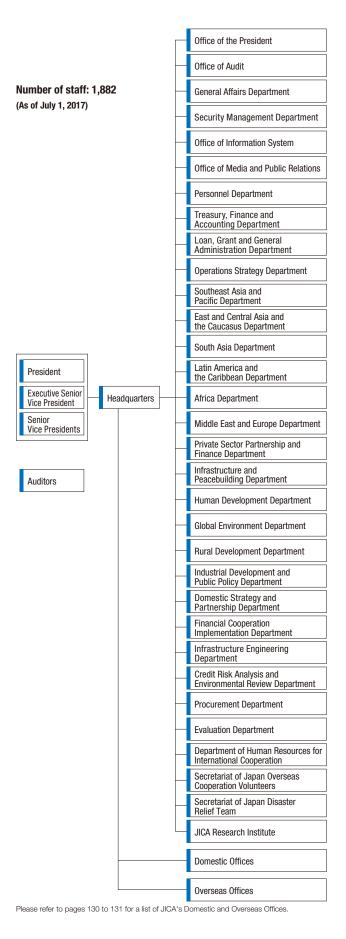
December 1960	The Overseas Economic Cooperation Fund Law is promulgated.
March 1961	The Overseas Economic Cooperation Fund (OECF) is established to take over management of the Southeast Asia Development Cooperation Fund from the Export-Import Bank of Japan (JEXIM).
March 1966	First OECF ODA Loan (to the Republic of Korea) is provided.
March 1995	The Cabinet decides to merge JEXIM and OECF.
April 1999	The Japan Bank for International Cooperation Law is promulgated.
October 1999	The Japan Bank for International Cooperation (JBIC) is established.

## **New JICA**

November 2006 Act for partial amendments to the Act on the Incorporated Administrative Agency Japan International Cooperation Agency is promulgated.

October 2008	Operations of ODA Loans previously managed by the former JBIC (Overseas Economic Cooperation Operations) and a portion of Grants provided by Japan's Ministry of Foreign Affairs (MOFA) are integrated into the operations of JICA.
December 2008	JICA issues Fiscal Investment and Loan Program (FILP) Agency bonds (non-government guaranteed bonds) for the first time.
March 2012	The Framework for Supporting Japanese SMEs in Overseas Business is revised, setting the stage for JICA to launch assistance for this purpose.
April 2012	The Third Medium-term Plan is made public.
October 2012	Private-Sector Investment Finance is fully resumed.
November 2014	First Euro-Dollar bonds guaranteed by the Government of Japan launched.
November 2015	Establishment of Dollar-denominated Japanese ODA Loans.
July 2016	Japan Overseas Cooperation Volunteers receive the Ramon Magsaysay Award, which is referred to as Asia's equivalent to the Nobel Peace Prize.

# Organization Chart / **Executive Officers and Auditors**



- 1. Number of executive officers and auditors: Pursuant to Article 7 of the JICA Act, there shall be one president and three auditors, and there may be one executive senior vice president and up to eight senior vice presidents.
- 2. Terms of office of executive officers and auditors: pursuant to Article 21 of the Act on General Rules for Incorporated Administrative Agencies, the term of office of the president is from the date of appointment until the last day of the mid-term plan currently in effect at the time of the appointment, and the term of office of each auditor is from the date of appointment until the date that the audited financial statements covering the final fiscal year of the mid-term plan for which such auditor is responsible are approved. Pursuant to Article 9 of the JICA Act, the term of office of the executive senior vice president, if any, is four years, and the term of office of the senior vice presidents, if any, is two years.
- 3. The names, current positions and previous positions of executive officers and auditors as of July 1, 2017 are as follows.

Title	Name	Date of Appointment
President Previous Position:	Shinichi Kitaoka President, International Unive	October 1, 2015 (Reappointment) ersity of Japan
Executive Senior Vice President Previous Position:	Kazuhiko Koshikawa Ambassador to Spain	May 23, 2016
Senior Vice President Previous Position:	Hiroshi Kato Senior Special Advisor, JICA	October 1, 2013 (Reappointment)
Senior Vice President Previous Position:	Hidetoshi Irigaki Director General, Southeast	October 1, 2015 Asia and Pacific Department, JICA
Senior Vice President Previous Position:	Yasushi Kanzaki Director General, Budget, Pe Department, ADB	October 1, 2015 rsonnel and Management Systems
Senior Vice President Previous Position:	Kenichi Tomiyoshi President Director, Jakarta C	October 1, 2015 Office, JETRO
Senior Vice President Previous Position:	Shinya Ejima Director General, Operations	October 1, 2016 Strategy Department, JICA
Senior Vice President Previous Position:	Noriko Suzuki Director General, Secretariat	October 1, 2016 of Japan Disaster Relief Team, JICA
Senior Vice President Previous Position:	Masaaki Kato Chief Security Officer, JICA	December 1, 2016
Senior Vice President Previous Position:	Toru Maeda Director General, General Aff	January 18, 2017 fairs Department, JICA
Auditor Previous Position:	Hiromi Machii Compliance Officer, SG Asse	January 1, 2014 (Reappointment)
Auditor Previous Position:	Eiji Inui Director General, Africa Depa	October 1, 2015 (Reappointment) artment, JICA
Auditor Previous Position:	Holdings Co., Ltd.	July 1, 2017  al Audit Office, Panasonic Healthcare  are listed in the order of their appointment.)

[ > Please refer to the JICA website for updates of this information.]

# **Domestic and Overseas Offices**

#### Domestic and Overseas Offices (As of July 1, 2017)

#### **JICA Hokkaido**

### (Sapporo / Hokkaido Global Plaza)

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 20th 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

#### **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**

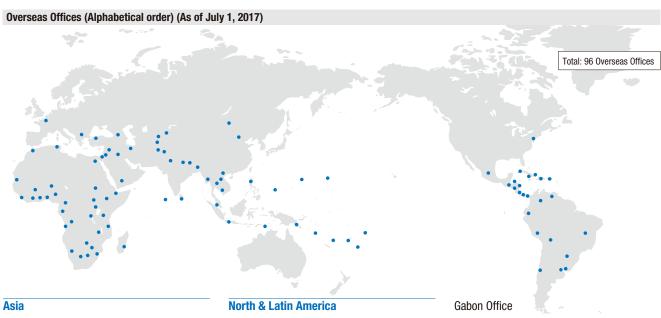
TEL: +81-87-821-8824 First Floor, Kagawa Sanyu Bldg., 3 Kajiya-machi, Takamatsu City, Kagawa 760-0028

## **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



Afghanistan Office
Bangladesh Office
Bhutan Office
Cambodia Office
China Office
Georgia 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 Argentine Office
Belize Office
Bolivia Office
Brazil Office
Chile Office
Colombia Office
Costa Rica Office
Cuba Office

Dominican Republic Office

Ecuador Office
El Salvador Office
Guatemala Office
Haiti 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

Angola Office
Benin Office
Botswana Office
Burkina Faso Office
Cameroon Office
Côte d'Ivoire Office

Democratic Republic of Congo Office

Djibouti Office Ethiopia Office Ghana Office Kenya Office Madagascar Office Malawi Office Mozambique Office Namibia Office Niger Office Nigeria Office Rwanda Office Senegal Office Sierra Leone 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 https://www.jica.go.jp/english/about/organization/overseas/

# **Budget**

1 General Account Revenue and Expenditure Budget (FY2017)	(¥ million)
Items	FY2017
Revenues	151,215
Operational grants (Initial budget)	150,296
Subsidies for facilities, etc.	369
Interest income and miscellaneous income	250
Contracted programs	285
Donations	15
Reversal of reserve funds carried over from the previous Mid-term Objective period	_
Expenditures	151,215
Operating expenses	141,269
Priority development cooperation issues	101,691
Partnerships with the private sector	7,681
Partnerships with various development partners	26,305
Strengthen foundations for operational implementation	5,592
Facilities	369
Contracted programs	285
Donation programs	15
General administrative expenses	9,277

#### 2 Financial Plan for the Finance and Investment Account (FY2017) (¥100 million) FY2017 Investment and loan ODA loans 12,299 Private-sector investment finance 421 12,720 Total Capital investment from the Government of Japan (GOJ)'s General Account 452 Source of funds 5,487 Borrowings from the Fiscal Investment and Loan Program (FILP) 6,781 Own funds, etc. 800 - FILP Agency Bonds 12,720 Total

In some cases, the numbers do not correspond to the figures reflected in the "Total" section because of rounding estimates.
 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.

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