

Initiative for Japan's ODA on Water

1. Comprehensive Approach

(1) Japan's strategy and achievements

• **Improving governance, building capacity, and providing financing** are essential to addressing water problems.

• Water is a multi-faceted problem. It is necessary to pursue a **comprehensive approach** including not only the provision of **drinking water and sanitation**, but also **the improvement of water productivity, water pollution control, disaster mitigation, and the water resources management, in accordance with local conditions**.

• Japan has provided ODA amounting to more than **650 billion yen** (approximately US\$5.7 billion) during the last three years (from FY1999 to FY2001).

• On drinking water and sanitation, Japan has been by far the top donor providing **about US\$1 billion, a third of the average** (about US\$3 billion) of the total ODA financial flow from during the last three years.



(2) Salient measures

① **Providing drinking water and sanitation to poor countries and regions**

Japan has established the "Water Resource Grant Aid," and 16 billion yen will be earmarked in the FY2003 budget proposal for this scheme.

② **Addressing the needs to provide large-scale financing to urban areas**

In FY 2002, Japan started to apply loan aid with the lowest concessional condition ever made (the current interest rate is 0.75% as a general rule) to projects such as sewage disposal facilities, water supply systems and urban flood countermeasures.

③ **Assisting the ownership and capacity-building of developing countries**

Japan will provide assistance for capacity-building to approximately 1000 people over the next five years from FY 2003 in order to improve the developing countries' capacity for planning, management, and control in the field of water supply system and sewage system.

2. Establishment and Strengthening of International Partnerships

(1) Realizing the Japan-U.S. Clean Water for People Initiative

Launched last September at the WSSD, both countries will realize this initiative for water cooperation through the implementation of projects in Africa (Ghana, Mali, Niger and Senegal) and Asia (the Philippines, Indonesia, Bangladesh, etc.).

In addition, a collaboration between Japan's yen-loan aid and the US's investment guarantee system will be considered.

(2) Japan-France Water Sector Cooperation

This bilateral cooperation was launched on the occasion of the Third World Water Forum. Japan and France will start to undertake and to consider cooperation in Africa (Senegal, Djibouti) and Asia (Laos).

3. Concrete Actions

Japan is implementing ODA projects on global scale, focusing on following six pillars.

(1) Safe Drinking Water Supply and Sanitation

(2) Improvement of Water Productivity

(3) Addressing the Problem of Water Pollution and Ecosystem Conservation

(4) Disaster Mitigation

(5) Water Resources Management

(6) Strengthening of Partnerships with NGOs