ODA Review Summary of the Final Report

June 29, 2010 Ministry of Foreign Affairs of Japan

The report presents the new way forward for Japan's ODA to respond to changes in the international and domestic environments.

1. Philosophy

Enhancing enlightened national interest

~Living in harmony with the world and promoting peace and prosperity~

2. Priority issues

(1) Reducing poverty

(Contribution to the achievement of the Millenium Development Goals (MDGs))

- (2) Investing in peace
- (3) Supporting sustainable growth
- \rightarrow Placing emphasis on the MDGs

(Making it clear that Japan will contribute to the achievement of the MDGs and that it will play an active role towards the UN High-level Plenary Meeting on the MDGs in September, 2010.)

 \rightarrow Assitance for climate change and other environmental issues is included in (3).

3. Mobilizing Japan's human, intellectual, financial and technological resources

(1) Expanding dialogue with various stakeholders

- Establishment of "Development Cooperation Forum."
- Strengthening dialogue both in Japan and in the field.
- (2) Cooperation with the private sector
 - Early restructuring of JICA's Private Sector Investment Finance.
 - Active utilization of proposals from the private sector.
 - Packaged assistance for infrastructure projects.

(3) Strengthened cooperation with NGOs

- Enhancing human resource mobility between NGOs and the Ministry of Foreign Affairs (MOFA)/JICA.
- Support to solidify NGOs' financial basis.
- Expanding assistance to NGOs.
- Deliberation on the establishment of a new modality for cooperation with NGOs.

4. Strategic and effective aid

(1) Measures for strategic and effective operation

- Selection and concentration of aid, strengthening of program approach.
- Focusing on outcomes (setting and disclosing concrete outcome targets).

- Reforming aid schemes and processes (deliberation on the Japanese ODA loans in foreign currency, provision of Japanese ODA loans to ODA graduating countries, acceleration of ODA loan process).
- Strengthening the functions of field missions (reinforcing ODA Task Forces).
- Improving evaluation (increasing independence of the ODA evaluation division (including recruiting experts from outside the government), improving feedback system).

(2) Taking a leadership role in the international community

- Enhancing coordination between bilateral and multilateral aid.
- Cooperation with emerging donors (including encouragement to act in line with international rules and regulations).
- (3) Human resource development
 - Cultivating human resources in development fields (enhancing training programs, supporting NGOs' internship programs).
 - Increasing qualified experts to work in the front lines of development (assisting career development).
- (4) Reinforcing policy-making functions and implementation capacity
 - Clear division of labor between MOFA (policy-making) and JICA (implementation).

- Reform of JICA (revitalizing planning capacity, optimizing operational arrangements, streamlining and improving organizational governance).

5. Promoting public support and understanding

(1) Information disclosure

- Making ODA more visible to the public (setting up a website to systematically provide information on the ongoing ODA projects)
- (2) Wider public participation
 - Encouraging participation by teachers and regional government officials in ODA site visits and ODA volunteer activities.
 - Renewing citizen participation programs (redesigning ODA citizens monitor program).
 - Spreading efforts outside Tokyo using JICA International Centers throughout Japan.

6. Mobilizing financial resources for development

- Efforts towards expanding ODA.
- Coordination with private sector resources and OOF.
- Innovative financing for development (including the promotion of international solidarity levies for development).

7. Revision of the ODA Charter

Based on this review, MOFA would start discussions in the government towards the revision of the ODA Charter to reflect the new philosophy and basic policy outlined above.