Priority Policy for Development Cooperation FY2015

April 2015

International Cooperation Bureau, MOFA
Development cooperation is one of the most important means of strategic foreign policy of Japan. From the perspective of “proactive contribution to peace” based on the principle of international cooperation, Japan will contribute more proactively to securing peace, stability and prosperity of the international community. To this end, Japan will promote strategic and effective development cooperation based on its foreign policy.

Under the “Development Cooperation Charter” newly formulated in February 2015, Japan will improve not only the implementation architecture as needed for strategic implementation of its development cooperation, but also further strengthen cooperation with partners including private companies, local governments, universities and research institutions, NGOs/CSOs, and international and regional organizations.

Cooperation to share universal values and promote international peace and stability
Japan will support areas such as development of legal systems and governance, as well as gender equality to support countries that share such universal values as democracy, rule of law, and human rights, and thereby strengthen its relations with them.
Japan will also actively contribute to the peace and stability of the international community through such means as peacebuilding, counterterrorism and organized crime, and enhancing maritime law enforcement capabilities.

Enhancing strategic development cooperation for the economic growth of developing countries and Japan
Japan will support developing countries in achieving “quality growth.” At the same time, Japan will also support such areas as overseas expansion of local governments and SMEs, export of infrastructure systems, business environment improvements, and the internationalization of medical technologies and services to help economic growth and regional revitalization of Japan.

Promoting human security
Japan will uphold the principle of human security in a number of areas—including disaster risk reduction and post-disaster reconstruction, health, environmental and climate change control, poverty reduction, and education—in cooperation with international organizations and other stakeholders. In the process, Japan will take note of the outcomes of the Third UN World Conference on Disaster Risk Reduction as well as the international frameworks expected to be agreed by the end of this year, including the post-2015 development agenda (in September) and the post-2020 framework of climate change (in December).

Building strategic partnerships
Japan will strengthen relations with so-called “ODA graduates” such as small island developing states with particular vulnerabilities, as well as with emerging countries that serve as important investment destinations for Japanese companies. Japan will also extend region-wide assistance in cooperation with regional organizations among others. In addition, Japan will expand opportunities for public participation in development cooperation through such means as cooperation with NGOs and volunteer programs.
Cooperation to share universal values and promote international peace and stability

**Key area 1**

Securing the rule of law, democratization, and governance

Stable growth and a sound society in countries that share such universal values as freedom, democracy, and the rule of law -- notably ASEAN countries -- are important factors for a more stable international environment and closer relations with these countries. To that end, Japan will extend support in developing judicial and legal systems, and capacity building of public broadcasting stations as well as the prevention of corruption. Japan will also support cyber security to help achieve the rule of law in cyberspace, the lack of which could affect Japan as well.

Peacebuilding, humanitarian assistance, and counterterrorism

While the international community faces conflicts, terrorism and organized crimes and the threat that terrorism and similar attacks posed to Japan has become a reality, Japan will continue to provide relevant assistance for the Middle East, Africa and other regions. This will include humanitarian assistance for conflict-afflicted people, refugees and internally-displaced persons, as well as support for socioeconomic stability that will involve building a society that does not breed extremism. It will also cover capacity building in counter-terrorism as well as peace consolidation and nation-building in the post-conflict phase. In these processes, Japan will work with international organizations and coordinate with United Nations Peacekeeping Operations (PKOs). In Asia, Japan will continue to support the Mindanao peace process and ethnic minorities in Myanmar. Globally, Japan will continue to support the removal of landmines and unexploded ordnance.

Building the capacity to ensure maritime safety and ensuring the safety of sea lines of communication

Ensuring the freedom and safety of navigation and thereby maintaining and developing “Open and Stable Seas” constitutes the basis for peace, stability and prosperity of not only Japan as a maritime nation but also the international community as a whole. In order to ensure the safety of sea lines of communication that are essential for Japan, it will extend assistances to coastal states along these sea lanes and other states in such forms as capacity building of maritime law enforcement authorities and the provision of materials and equipment.

Ensuring gender equality and human rights

To realize a “society where women shine,” Japan will support developing countries in eliminating gender-based prejudice and inequality, and building a society where women can live with peace of mind. Such assistance will cover areas such as empowerment of women to facilitate them taking an active role and participating in society, and improvement of access to healthcare for women by promoting universal health coverage (UHC). Japan’s support in the areas of peace and security will focus on community development that respects women in conflict situations as well as the protection of victims of human trafficking and its prevention.
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<tr>
<th>Key area II</th>
<th>Enhancing strategic development cooperation for the economic growth of developing countries and Japan</th>
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<tbody>
<tr>
<td><strong>Supporting infrastructure system export</strong></td>
<td>In light of huge infrastructure demand in developing countries, Japan will take advantage of its technology and experience in supporting urban infrastructure development. It will also support infrastructure projects by Japanese companies with relevant knowhow that involve not only construction but also the operation and maintenance of the facilities.</td>
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<td><strong>Supporting overseas expansion of SMEs</strong></td>
<td>Japan will utilize SMEs’ excellent products and technologies, etc. for the development of developing countries and thereby contribute to the socioeconomic development in those countries, as well as to supporting overseas expansion of SMEs.</td>
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<td><strong>Improving the business environment</strong></td>
<td>Japan will support the development of legal systems and industrial human resources to create a better business environment in high-growth emerging markets, thereby facilitating Japanese companies’ activities in emerging and developing countries.</td>
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<td><strong>Supporting overseas expansion of local governments and revitalizing local communities in Japan</strong></td>
<td>Japan will utilize the technology and knowhow owned by its local governments (in such sectors as water and sewerage system, and environmental management) to provide suitable assistance to meet the particular development needs of developing countries. This is also aimed at revitalizing local communities in Japan. Japan will also provide processed marine products from areas affected by the Great East Japan Earthquake and other regional areas in Japan upon request from developing countries, thereby helping economic reconstruction in these areas.</td>
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<td><strong>Introducing Japanese advanced products and system</strong></td>
<td>To help developing countries appropriately address challenges associated with urbanization and environment management, etc. Japan will make effective use of its Intelligent Transport Systems (ITS), energy conservation technology, digital terrestrial broadcasting technology and other technologies and systems, thereby contributing to the standardization of these Japanese products and systems, and facilitating overseas expansion of Japanese companies.</td>
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<td><strong>Promoting the internationalization of Japan’s medical technologies and services</strong></td>
<td>Japan will take advantage of its equipment and services of excellence in order to assist in the construction of hospitals and provision of equipment as well as in human resources development for sustainable use of these facilities and equipment, in view of promoting the internationalization of Japanese medical technologies and services, particularly in the fast-growing healthcare markets in Asia and elsewhere.</td>
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<td><strong>Securing stable supply of natural resources and food</strong></td>
<td>In developing countries where resource/energy development is expected, Japan will help strengthen the relevant human networks through human resource development and promote cooperation for the sustainable use of natural resources.</td>
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Promoting human security

Disaster risk reduction and post-disaster reconstruction

Building on the outcomes of the Third UN World Conference on Disaster Risk Reduction in March 2015, Japan will take advantage of its expertise and technologies as well as lessons learned from past disasters to deliver an effective mix of material and non-material assistance. It will also work towards mainstreaming of disaster risk reduction.

Infectious diseases control and promotion of universal health coverage (UHC)

Japan will support efforts to prevent and control infectious diseases such as tuberculosis, AIDS, malaria, and Ebola, as well as to help the realization of UHC (affordable access to basic medical services for all) that respects the lives of each individual. In so doing, Japan will provide assistance not only bilaterally but also together with international organizations to strengthen basic health systems in developing countries through human resource development and institutional capacity building.

Addressing environmental problems and climate change

To help developing countries address energy and environmental problems associated with economic development, Japan will provide assistance in such sectors as environmental management (recycling, waste management, etc.) and energy conservation by capitalizing Japanese technologies and systems in these sectors. Japan will also work with international organizations to address global challenges such as global warming and biodiversity conservation.

Supporting the achievement of the Millennium Development Goals (MDGs) and addressing the post-2015 development agenda

While the achievement of the MDGs, which are to be met by 2015, is lagging behind in some sectors in developing countries, especially in sub-Saharan and conflict-affected countries, Japan will offer assistance in such areas as market-oriented agriculture promotion, education (mathematics and science education, teacher training), safe water management and better sanitation, and the reconstruction of robust health systems bilaterally as well as by working with international organizations such as UNDP and UNICEF. Japan will also extend assistance in addressing the post-2015 development agenda to be adopted in the autumn of 2015.
Building strategic partnerships

■ Strengthening strategic partnerships

Japan will provide assistance in the fields of disaster risk reduction and environmental/climate change management for small island developing states (Caribbean states among others) with particular vulnerabilities despite their relatively high levels of per capita income, also taking into account the relevance of such assistance to Japan’s foreign policies. It will also assist developing countries with an income level higher than that of middle income countries—notably emerging and other countries that serve as important investment destinations for Japanese companies—in adopting Japanese products and systems. Furthermore, Japan will also extend region-wide assistance in cooperation with regional organizations.

■ Expanding opportunities for public participation in development cooperation

Recognizing NGOs as important partners in development cooperation, Japan will further promote cooperation and collaboration with NGOs. Japan continues to make the best use of existing dialogue framework between the government and NGOs for sharing information and promoting more positive participation of NGOs in development cooperation than before. In addition, Japan will provide funding assistance for their development cooperation activities, and support their capacity building to strengthen their organizational basis. While continuing with existing volunteer programs such as the Japan Overseas Cooperation Volunteers Program, Japan will also support the development of human resources of global-standard in order to promote the globalization of Japanese companies, local governments, and higher education institutions.

■ Development through culture and sport

With a view to the 2020 Olympic and Paralympic Games in Tokyo, Japan will encourage youth development through sport and physical education in schools, while also promoting people with disabilities to participate in sport in order to spread the value of sport as well as the Olympic and Paralympic Movements by implementing “Sport for Tomorrow” programme among others. Japan will also provide assistance in the cultural sector utilizing Japan’s soft power including the promotion of Japanese TV contents and the Japanese language.
## Targeted Aid Commitments by Region

**(Bilateral ODA; initial budget amount)**

<table>
<thead>
<tr>
<th>Region</th>
<th>Total FY2006-2010 Disbursements (% of global total)</th>
<th>FY2011 Disbursements (% of global total)</th>
<th>FY2012 Disbursements (% of global total)</th>
<th>FY2013 Disbursements (% of global total)</th>
<th>Targets (% of global total)</th>
<th>Disbursements (FY2014; provisional; % of global total)</th>
<th>FY2015 Targets (% of global total)</th>
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<tbody>
<tr>
<td><strong>Global</strong></td>
<td>6,793.87 (62.1%)</td>
<td>9,466.83 (69.5%)</td>
<td>11,503.35 (75.9%)</td>
<td>9,540.45 (66.1%)</td>
<td>11,034.00 (63.0%)</td>
<td>6,316.60 (66.0%)</td>
<td>8,391.70 (52.9%)</td>
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<td><strong>East Asia &amp; Southeast Asia</strong></td>
<td>139.54 (1.3%)</td>
<td>116.64 (0.9%)</td>
<td>250.38 (1.7%)</td>
<td>136.10 (0.9%)</td>
<td>120.00 (0.7%)</td>
<td>124.84 (1.1%)</td>
<td>465.11 (2.9%)</td>
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<tr>
<td><strong>Central Asia &amp; Pacific</strong></td>
<td>266.08 (2.4%)</td>
<td>255.54 (1.9%)</td>
<td>62.56 (0.4%)</td>
<td>431.58 (3.0%)</td>
<td>598.00 (3.4%)</td>
<td>1,087.68 (9.6%)</td>
<td>221.98 (1.4%)</td>
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<td><strong>Middle East and North Africa</strong></td>
<td>1,874.16 (14.4%)</td>
<td>1,407.29 (10.3%)</td>
<td>1,346.05 (9.0%)</td>
<td>1,559.49 (10.8%)</td>
<td>1,997.00 (11.4%)</td>
<td>1,112.03 (9.9%)</td>
<td>1,819.69 (11.5%)</td>
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<td><strong>Sub-Saharan Africa</strong></td>
<td>1,331.44 (12.2%)</td>
<td>1,218.97 (9.0%)</td>
<td>1,489.14 (9.8%)</td>
<td>1,600.85 (11.1%)</td>
<td>1,963.00 (11.2%)</td>
<td>1,845.24 (16.4%)</td>
<td>2,635.00 (16.6%)</td>
</tr>
<tr>
<td><strong>Latin America and the Caribbean</strong></td>
<td>576.08 (5.3%)</td>
<td>843.61 (6.2%)</td>
<td>446.77 (2.9%)</td>
<td>1,081.32 (7.5%)</td>
<td>1,071.00 (6.1%)</td>
<td>662.10 (5.9%)</td>
<td>400.10 (2.5%)</td>
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<tr>
<td><strong>Europe</strong></td>
<td>249.65 (2.3%)</td>
<td>305.43 (2.2%)</td>
<td>39.79 (0.3%)</td>
<td>88.08 (0.6%)</td>
<td>728.00 (4.2%)</td>
<td>133.50 (1.2%)</td>
<td>1,935.87 (12.2%)</td>
</tr>
</tbody>
</table>

**Units: 100 million Yen**

**Notes:**

1. Assistance targets represent the targeted amount that is deemed desirable at the beginning of the fiscal year in light of Japan’s foreign policies with consideration given to recent trends in the ODA budget and to progress made in the project formulation and adoption. The formulation and adoption of projects will be carried out with the aim of meeting the targets. The targets, however, may not be matched by the disbursements due to the flexible and responsive measures taken in light of changes in the international situation and other factors.

2. Grant Aid disbursements are aggregated based on uses defined in the initial budget. Contributions to international organizations are not included.

3. Provisional Loan Aid disbursements for FY2014 amount to 1018.4 billion Yen if the loans for the 17th replenishment of the International Development Association (IDA) are included (190.4 billion Yen).
Assistance for Pacific island countries

1) Cooperation in disaster risk reduction based on experience of the Great East Japan Earthquake
2) Environment and climate change, renewable energy
3) Sustainable development and human security
4) People-to-people exchanges
5) Maritime issues

Assistance for South Asia

- Improving business environment such as infrastructure development, including strengthening regional connectivity; revitalizing private-sector economic exchanges
- Assisting in poverty reduction, environmental and climate change management, and disaster risk reduction
- Assisting in the consolidation of peace and democracy
- Assisting in securing maritime safety

Assistance for Southeast Asian countries

- Strengthening connectivity to facilitate the establishment of an ASEAN Community by 2015, encouraging quality infrastructure investment to achieve “quality growth”
- Assisting in rectifying disparities within ASEAN and member states (including poverty reduction and HRD)
- Implementing “ASEAN-Japan Disaster Management Cooperation”; assisting in building a sustainable society with focus on the environment, climate change, and energy sectors
- Promoting the rule of law, securing maritime safety, strengthening cyber security, focusing on the health sector (including infection control) and women’s empowerment

Assistance for Mekong region

- Assisting in implementing “Tokyo Strategy 2012”
  - Enhancing Mekong connectivity
  - Promoting trade and investment
  - Ensuring human security and environmental sustainability

Assistance for Myanmar

- Assistance for Myanmar
  - Improving people’s livelihoods (including support for ethnic minorities)
  - Developing human resources and institutions (including support for democratization)
  - Developing economic infrastructure
Regional priorities

Middle East, Pakistan, Central Asia, Caucasus, Europe

Assistance for Ukraine
1) Assisting improving the economic situation
2) Restoring democracy
3) Encouraging domestic dialogue and integration

Assistance for Central Asia and Caucasus countries
1) Developing infrastructure (transport, logistics, energy, etc.)
2) Supporting democratization and transition to a market economy
3) Assisting in rebuilding the social sectors (education, health, etc.)
4) Managing border control, counter-narcotics, and security

Assistance for Afghanistan
1) Enhancing the capabilities to maintain security
2) Reintegrating ex-combatants
3) Supporting sustainable and self-reliant development

Assistance for Pakistan
1) Developing the foundation for economic growth (power and transport infrastructure)
2) Promoting human security
3) Assisting in maintaining security (including counterterrorism) and stabilizing the border region

Assistance in developing counterterrorism capacity in the Middle East and North Africa

Assistance in view of rising extremism
1) Assisting in developing the capacity to cope with terrorism, etc.
2) Improving humanitarian assistance and supporting socioeconomic stabilization to facilitate economic growth
3) Building a society that does not breed extremism

Assistance for Palestine
1) Stabilizing and improving people's livelihoods
2) Reinforcing administrative and fiscal capacities
3) Facilitating sustainable economic growth (e.g., the Corridor for Peace and Prosperity Initiative)

Assistance for energy-producing countries
1) Offering technical cooperation in cost sharing for Gulf countries that graduated from ODA
2) Assisting a shift from reconstruction to sustainable development as well as private sector development in Iraq

Assistance towards the region's long-term stability and sustainable development

Contributing to peace in the Middle East

Securing maritime safety
Regional priorities

Africa

- Steadily implementing the Yokohama Action Plan 2013-2017 (follow-up on TICAD V)
- Assisting the Middle East and North Africa in developing counterterrorism capacity
- Securing maritime safety and implementing counter-piracy off the coast of Somalia
- Promoting human security
- Improving the business/investment environment and promoting the development of natural resources and energy
- Rebuilding the health systems especially in the countries affected by Ebola

Legend
- Priority corridor (Big 5 candidate regions)
- Regions for which a strategic master plan is being or is to be developed

- Facilitating private trade and investment thereby supporting the growth of Africa (infrastructure, HRD)
- Promoting human security through assistance particular to Japan
  1) Promoting economic growth (private sector, trade and investment, natural resources)
  2) Developing infrastructure and capacity (infrastructure development, HRD, science & technology, tourism)
  3) Empowering farmers as mainstream economic players (agriculture, food and nutrition security)
  4) Promoting sustainable and resilient growth (environment, climate change, disaster risk reduction)
  5) Creating an inclusive society for growth (education, women, health, water and sanitation)
  6) Consolidating peace, stability, democracy and good governance
Regional priorities

Latin America and the Caribbean

Assistance for Central America
- Infrastructure development
- Disaster risk reduction and post-disaster recovery
- Climate change management, renewable energy, energy conservation
- Promoting Central American integration and region-wide cooperation
- Implementing triangular cooperation

Assistance for the Caribbean
- Climate change management, renewable energy, energy conservation
- Disaster risk reduction and post-disaster recovery
- Fisheries
- Assistance for reconstruction from the Haiti Earthquake
- Considering particular vulnerabilities of small-island developing countries (including support for high-income countries not included in the DAC List of ODA Recipients)

Assistance for South America
- Stable supply of natural resources and energy; food security
- Infrastructure development
- Disaster risk reduction and post-disaster recovery
- Renewable energy
- Forest conservation
- Implementing triangular cooperation

Disaster risk reduction and post-disaster recovery
Addressing environmental problems and climate change

Promoting “Japanese advanced products and system” in developing countries with an income level higher than that of middle income countries
Enhancing cooperation with energy-producing regions
Food security

Promoting "Japanese advanced products and system" in developing countries with an income level higher than that of middle income countries