Priority Policy for Development Cooperation FY2017

International Cooperation Bureau, MOFA

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Table of Contents

1. Basic Concepts ----- P2

2. Key Areas----- P3

- 3. Actual Aid Disbursements by Region --- P8
- 4. Regional Key Issues ----- P9

Priority Policy for Development Cooperation FY 2017 – Basic Concepts

Development Cooperation that Contributes to National Interests

- O Development cooperation is an important pillar for Japan to actively advance "diplomacy that takes a panoramic perspective of the world map." From the perspective of "proactive contribution to peace" based on the principle of international cooperation, Japan will contribute more proactively to securing the peace, stability and prosperity of the international community. To this end, Japan will promote strategic and effective development cooperation to advance its foreign policy, including the "Free and Open Indo-Pacific Strategy."
- O Amid the intensifying severity of the international terrorism situation as can be seen through terrorist attacks such as the one which occured in Dhaka, Bangladesh in July 2016, Japan will strengthen safety measures and support anti-terrorism measures in developing countries to establish an environment that enables overseas Japanese, including those engaged in international cooperation projects, to carry out their activities without worry.
- O Under the "Development Cooperation Charter," Japan will aim at achieving "quality growth" together with developing countries, through measures including further promoting "quality infrastructure" by means of steadily implementing the outcomes of the G7 Ise-Shima Summit, etc., based on sustainable development goals (SDGs), Japan's guidelines for SDGs implementation, the Japan Revitalization Strategy, and other relevant policies of the government.
- © This priority policy is intended to clarify key areas of each fiscal year to ensure a prompt response to progress in foreign policies and newly arising issues relating to development, etc. and is a policy that covers both bilateral cooperation and cooperation through international organizations.

Priority Policy for Development Cooperation FY2017 - Key Areas

Key Area (1): <u>Developing an environment for</u> international peace, stability and prosperity, and sharing universal values

O Under the "Free and Open Indo-Pacific Strategy", Japan will enhance "connectivity" between Asia and Africa to promote stability and prosperity across the regions. Japan will secure the safety of Japanese nationals playing active roles overseas, through cooperation with developing countries in improving their anti-terrorism measures and security situation, etc. Based on the concept of "sustaining peace," Japan will proactively contribute to realizing peace and stability in the international community through cooperation in areas such as peace building, assistance for refugees, and countermeasures against violent extremism. etc., while strengthening the nexus between humanitarian assistance and development cooperation. In addition, Japan will support the efforts of countries with which Japan shares universal values, including the rule of law, and cooperate in the fields of reinforcing the capacity of maritime law enforcement, establishing legal systems, etc.

Key Area (2): <u>Addressing</u> <u>global issues toward achieving</u> <u>SDGs and promoting human</u> <u>security</u>

will strategically 0 Japan implement cooperation toward achieving SDGs, which is a goal entire international the community works on. Especially, Japan will assist not only in formulating national strategies and plans but also in developing human resources who will be engaged in drafting and implementing development policies. Japan will promote cooperation in such areas as health. women (gender), education. disaster and tsunami risk reduction, climate change and global environment issues.

Key Area (3):Economic diplomacy that aims at "quality growth" together with developing countries, and contribute to regional revitalization

◎ Japan will cooperate toward realizing "quality growth" in developing countries, and through that cooperation, will grow together with developing countries, thereby contributing to Japan's regional revitalization at the same time. Especially, Japan will assist local governments and SMEs for overseas expansion, improve the environment for foreign direct investment and further "quality infrastructure". promote including the promotion of Japanese technologies and systems in overseas markets. In addition, Japan will assist developing countries in nurturing industrial human resources and also innovation in Japanese advance domestic industry through new measures.

Development cooperation contributing to national interests, the reinforcement of coordination, and development cooperation with the participation of the citizenry

Tackling Key Areas (1) to (3) above,

O Japan will coordinate bilateral cooperation and cooperation through international organizations in an organic manner and simultaneously promote "face-to-face cooperation" with the involvement of Japanese private corporations, local governments, universities/research institutions, NGOs/CSOs, etc. In addition, Japan will not only promote public relations in an effort to deepen Japanese people's understanding of supporting developing countries, but also proactively disseminate its attractiveness and efforts to the world through development cooperation. Japan will strengthen measures for securing the safety of people engaged in international cooperation projects.

Key Area (1): Developing an environment for international peace, stability and prosperity, and sharing universal values

Promotion of the "Free and Open Indo-Pacific Strategy"

◎ Japan will enhance "connectivity" between Asia and Africa through a free and open Indo-Pacific to promote the stability and prosperity of the regions as a whole.

Counterterrorism, capacity building of law enforcement authorities, and countermeasures against violent extremism

 Based on the final report of "Council on Safety Measures for International Cooperation Projects," and the proposal and investigation report of "Study Team on Strengthening Safety Measures for Overseas Japanese" in response to the terrorist attack in Dhaka (both issued in August 2016), as well as measures to strengthen antiterrorism announced at the ASEAN-related top-level meeting (September 2016), Japan will improve the situation in developing countries to secure the safety of Japanese playing active roles overseas.

> Assistance for capacity building for counterterrorism and anti-terrorism measures in developing countries

Japan will provide materials and equipment that contribute to strengthening capacity of law enforcement authorities and improving the security situation, including counterterrorism. Especially, the utilization of excellent technologies and products of Japanese corporations will be promoted. In addition, seminars and training will be held to strengthen the capacity of security authorities, law enforcement organizations as well as to establish legal systems. Furthermore, Japan will directly address violent extremism that is at the root of terrorism by preventing the young from being radicalized, and the deradicalizing and reintegration into society of former combatants through measures including educational support and vocational training, to foster moderates and Pro-Japanese individuals.

Humanitarian assistance including assistance for refugees, the stabilization of society, peacebuilding, the removal of landmines

Based on the concept of "sustaining peace," with the aim of addressing root causes of various issues in the Middle-East and African regions such as refugees and internally displaced people, Japan will provide development cooperation for the stabilization of society and inclusive growth, including prevention of conflicts, "human resource development," host-community support and others that take advantage of the strengths of Japan from a medium and long-term perspective, in addition to humanitarian assistance (The nexus between humanitarian assistance and development cooperation). Japan will offer assistance (including culture and sports) in peace consolidation and nation-building in the post-conflict phase, in cooperation and coordination with international organizations, etc. In Asia, Japan will support the Mindanao peace process and ethnic minorities in Myanmar, etc. Globally, Japan will continue to support the removal of landmines and unexploded ordnance.

Strengthening the rule of law: support for capacity building to ensure maritime safety and establishing legal systems, and reinforcing the capacity of both law enforcement authorities and their government officials

- 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 between these countries and Japan. To this end, Japan will extend support for developing judicial and legal systems, capacity building of law enforcement authorities, government officials, and public broadcasting stations as well as the prevention of corruption.
- > Support for capacity building to ensure maritime safety and for capacity building in the fields of space and cyberspace

Ensuring the freedom and safety of navigation by fully implementing the rule of law in oceans constitutes the basis for peace, stability and prosperity of not only Japan as a maritime nation, but also of the international community as a whole. In order to ensure the safety of sea lines of communications that are essential for Japan, Japan will strengthen the provision of materials and equipment that will contribute to reinforcing the capacity of maritime law enforcement authorities, as well as capacity building thereof. In addition, in the fields of space and cyberspace, Japan will promote assistance for capacity building, based on their respective "basic policy."

Key Area (2): Addressing global issues toward achieving SDGs and promoting human security

Assistance for the implementation of SDGs

Iapan will carry out initiatives at home and abroad in line with the guidelines for Japan's implementation of SDGs (approved by the SDGs Promotion Headquarters in December 2016).

> Assistance for formulating national strategies and plans

Japan will cooperate in formulating national strategies and plans in response to SDGs in a way that enables developing countries to take the lead in addressing development issues.

> Assistance for nurturing human resources for drafting development policies and their implementation

Japan will help develop human resources that developing countries need to promote SDGs, through measures including the provision of education and research opportunities in Japan, the introduction of a program for promoting understanding by sharing modern Japan's experiences of development, etc., and strengthening a strategic network with researchers who have returned to their countries after studying in Japan.

Health, women and education

> Health (infectious disease control and promotion of universal health coverage (UHC))

Under the "Basic Design for Peace and Health" (approved by the Headquarters for Healthcare Policy in September 2015) and the "G7 Ise-Shima Vision for Global Health" (May 2016), Japan will cooperate in the prevention of and counter-measures against infectious diseases, including measures to cope with the public health crisis through actions including the implementation of measures that contribute to international health organizations, as well as in activities such as strengthening basic health systems through assistance for human resource development, establishment of the system and others for realizing UHC.

Women (promotion of gender equality and women's empowerment)

Following the "Development Strategy for Gender Equality and Women's Empowerment" (approved by the government in May 2016), Japan will take actions including; the establishment of infrastructure with women in mind, assistance for women's education about STEM (Science, Technology, Engineering and Mathematics) and other fields, and the promotion of women's participation in decision-making processes in peace-building, disaster prevention, and other areas.

> Education (realization of a "comprehensive, fair and quality education")

Under the "Learning Strategy for Peace and Growth" (formulated by the government in September 2015), Japan will cooperate in human resource development in developing countries.

- Disaster prevention, tsunami countermeasures, climate change and global environment issue
- Promotion of disaster prevention and tsunami countermeasures ("Sendai Cooperation Initiative for Disaster Risk Reduction") and dissemination and raising awareness of "World Tsunami Day" (November 5)

Under the "Sendai Cooperation Initiative for Disaster Risk Reduction" (formulated by the government in March 2015), Japan will not only assist in Mainstreaming Disaster Risk Reduction through the dissemination and raising awareness of "World Tsunami Day," formulated by a Japanese initiative, but also 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 cooperation.

Climate change and global environment issue (cooperation in the reduction of global warming gas emissions and adaptation to the Paris Agreement after it came into effect)

Japan will support energy conservation, renewable energy and strengthening resilience against climate change by making use of Japanese technologies and systems. Japan will also support environment management (recycling, waste management, etc.) and global environment issues such as conservation of biodiversity. 5

Key Area (3): Together with developing countries, contributing economic diplomacy and regional revitalization that aims at "quality growth"

Promoting "quality infrastructure" and improving the business environment

Based on the "Export Strategy for Infrastructure Systems"(revised in 2016 and approved at the 24th Meeting of the Management Council for Infrastructure Strategy in May 2016), "Expanded Partnership for Quality Infrastructure"(announced by the government in May 2016) and others, to respond to the vast demand for infrastructure and the rapid growth of markets in emerging and developing countries, Japan will promote cooperation on urban infrastructure development by using Japan's technologies and experiences and assist in the development of projects ranging from facility construction to operation and maintenance by Japanese companies with expertise and the improvement of business environment including the consolidation of legal systems which will lead to the facilitation of overseas direct investment by Japanese companies.

Assistance for the overseas expansion of local governments, SMEs, etc.

By utilizing the technologies and know-how of Japan's local governments (in such sectors as water and sewerage systems or environmental management), and the excellent products, technologies, etc. of Japan's SMEs, Japan will contribute to socioeconomic development in developing countries. This is also aimed at revitalizing local communities in Japan. In addition, Japan will provide processed seafood products from affected areas by natural disasters and other regional in Japan upon request from developing countries, thereby helping economic reconstruction in these areas.

Promoting the internationalization of Japan's technologies and systems

 Ø Japan will promote Japanese technologies and systems in overseas markets through the implementation of cooperation such as the provision of equipment utilizing Japanese technologies and systems including medical technology and services, Intelligent Transport System(ITS), energy-conservation technology, terrestrial digital broadcasting technology and anti-terrorism technology, and the development of master plans.

> Promoting medical technologies and services of Japanese companies in overseas markets

Under the "Basic Policy for Asia Human Well-Being Initiative" (approved by the Headquarters for Healthcare Policy in July 2016), Japan will cooperate in establishing medical facilities that utilize Japan's excellent equipment and services, and maintenance of the equipment, as well as in developing human resources that make sustainable use of such equipment and services with an eye to globally deploying Japan's medical technologies and services, which include nursing care and other fields, in the fast-growing health and medical markets.

Developing industrial human resources

I Japan will disseminate Japan's strength ("Japan Brand") including Japanese engineering education (and technical college type education) in developing countries and use this advantage in implementing multilayered cooperation in human resource development in developing countries at home and overseas. In Asia, Japan will advance these initiatives through efforts typified by the "Industrial Human Resource Development Cooperation Initiative."

"Innovative Asia" Initiative

Under the "Japan Revitalization Strategy 2016" (approved by the Cabinet in June 2016) and others, for the purpose of contributing to improving an innovation environment in both Japan and developing countries in Asia, from the aspect of human resource development, Japan will invite excellent students to Japan and give them opportunities such as studying at Japanese universities and doing internships at Japanese companies.

Development cooperation contributing to national interests, the reinforcement of coordination, and development cooperation with the participation of the citizenry

Expanding opportunities for public participation in development cooperation

In Substitution of the existing framework of dialogs, offering financial cooperation for activities, and supporting capacity building toward strengthening organizational foundations, Japan will promote more active participation than ever of NGOs in ODA, and information sharing with them. In addition, Japan will continue to promote existing volunteer programs such as Japan Overseas Cooperation Volunteers Program.

Cooperation with international and regional organizations ("Japan's face-to-face cooperation")

- O To actively contribute to solving global issues, it is important for Japan not only to implement bilateral cooperation efficiently and effectively, but also to create a synergetic effect by way of its assistance through making the most of international organizations that have professional expertise and wide networks. To this end, Japan will conduct policy coordination with international organizations, etc. At the same time, when implementing assistance through such organizations, Japan will work on promoting its "face-to-face cooperation" such as achieving the targeted participation of 1,000 Japanese staff members in international organizations by 2025, and pursuing the possibility of coordination with bilateral cooperation and the participation of Japanese NGOs and companies.
- Disseminating Japan's various attractive aspects and promoting the understanding on its development cooperation (Development cooperation PR)
- In support of provide support of the support of

Strengthening strategic partnerships (high-income countries not included in the DAC List of ODA recipients that bond with ethnic Japanese and their communities)

- Isolation of the presence of ethnic Japanese (Nikkei) communities in the region, which serve as the foundation of a strong bond between Japan and the region.
- Measures for securing the safety of people involved in international cooperation projects
- Based on the final report of the "Council on Safety Measures for International Cooperation Projects," Japan will drastically reinforce safety measures for people involved in international cooperation projects. Especially, for such people, equipment for safety measures will be reinforced, and security will be tightened along with safety measures and seminars for crisis management.
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Actual Aid Disbursements by Region (Bilateral ODA)

											100.00			
		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		
		Actual (% of global total)		Actual (% of global total)		Actual (% of global total)		Actual (% of global total)		Actual (% of global total)		Provisional (% of global total)		
Global	Total	13,946.91		15,508.34	Ĩ	14,570.05		11,506.21	í	23,851.36	(20,785.14		
	LA	10,622.16		12,265.12		11,412.45		8,280.49		20,509.72		17,535.31		
	GA	1,847.72		1,957.94		1,771.23		1,888.54		1,848.65		1,773.75		
	TC	1,477.03		1,285.28		1,386.37		1,337.18		1,492.99		1,476.08		
East Asia Southeast Asia	Total	9,741.16	(69.8%)	11,779.80	(76.0%)	9,667.79	(66.4%)	6,410.49	(55.7%)	15,550.49	(65.2%)	12,712.81	(61.2%)	
	LA	8,478.34	(79.8%)	10,548.32	(86.0%)	8,396.80	(73.6%)	5,254.18	(63.5%)	14,239.53	(69.4%)	11,422.63	(65.1%)	
	GA	676.54	(36.6%)	705.72	(36.0%)	719.00	(40.6%)	608.79	(32.2%)	650.66	(35.2%)	634.70	(35.8%)	
	TC	586.28	(39.7%)	525.76	(40.9%)	551.99	(39.8%)	547.52	(40.9%)	660.30	(44.2%)	655.48	(44.4%)	
Oceania	Total	131.66	(0.9%)	250.38	(1.6%)	138.10	(0.9%)	137.50	(1.2%)	497.93	(2.1%)	159.94	(0.8%)	
	LA	0.00	(0.0%)	132.85	(1.1%)	0.00	(0.0%)	0.00	(0.0%)	315.40	(1.5%)	0.00	(0.0%)	
	GA	83.73	(4.5%)	75.50	(3.9%)	95.90	(5.4%)	91.11	(4.8%)	128.94	(7.0%)	110.81	(6.2%)	
	TC	47.93	(3.2%)	42.03	(3.3%)	42.20	(3.0%)	46.39	(3.5%)	53.59	(3.6%)	49.13	(3.3%)	
Central Asia Caucasus	Total	265.80	(1.9%)	70.81	(0.5%)	433.36	(3.0%)	1,095.48	(9.5%)	240.65	(1.0%)	122.51	(0.6%)	
	LA	180.67	(1.7%)	0.00	(0.0%)	348.77	(3.1%)	987.11	(11.9%)	119.15	(0.6%)	0.00	(0.0%)	
	GA	58.28	(3.2%)	45.76	(2.3%)	55.61	(3.1%)	81.91	(4.3%)	89.89	(4.9%)	95.13	(5.4%)	
	TC	26.85	(1.8%)	25.05	(1.9%)	28.98	(2.1%)	26.46	(2.0%)	31.61	(2.1%)	27.38	(1.9%)	
Middle East North Africa	Total	1,401.73	(10.1%)	1,366.28	(8.8%)	1,551.84	(10.7%)	1,153.42	(10.0%)	2,467.55	(10.3%)	1,864.29	(9.0%)	
	LA	943.25	(8.9%)	900.54	(7.3%)	1,138.67	(10.0%)	745.51	(9.0%)	2,077.11	(10.1%)	1,530.98	(8.7%)	
	GA	292.58	(15.8%)	310.70	(15.9%)	234.44	(13.2%)	260.09	(13.8%)	245.82	(13.3%)	199.50	(11.2%)	
	TC	165.90	(11.2%)	155.04	(12.1%)	178.73	(12.9%)	147.82	(11.1%)	144.62	(9.7%)	133.81	(9.1%)	
Sub Sahara Africa	Total	1,240.01	(8.9%)	1,538.58	(9.9%)	1,597.64	(11.0%)	1,870.92	(16.3%)	2,795.15	(11.7%)	2,155.90	(10.4%)	
	LA	161.26	(1.5%)	471.92	(3.8%)	614.16	(5.4%)	788.55	(9.5%)	1,762.81	(8.6%)	1,156.14	(6.6%)	
	GA	615.75	(33.3%)	684.70	(35.0%)	564.52	(31.9%)	677.16	(35.9%)	620.64	(33.6%)	581.00	(32.8%)	
	TC	463.00	(31.3%)	381.96	(29.7%)	418.96	(30.2%)	405.21	(30.3%)	411.70	(27.6%)	418.76	(28.4%)	
Latin America and the Caribbean	Total	860.07	(6.2%)	462.72	(3.0%)	1,086.23	(7.5%)	685.88	(6.0%)	317.70	(1.3%)	3,744.37	(18.0%)	
	LA	576.12	(5.4%)	211.49	(1.7%)	854.79	(7.5%)	405.14	(4.9%)	50.00	(0.2%)	3,425.56	(19.5%)	
	GA	115.56	(6.3%)	112.83	(5.8%)	83.49	(4.7%)	133.71	(7.1%)	104.50	(5.7%)	147.30	(8.3%)	
		168.39	(11.4%)	138.40	(10.8%)	147.95	(10.7%)	147.03	(11.0%)	163.20	(10.9%)	171.51	(11.6%)	
Europe	Total	306.48	(2.2%)	39.78	(0.3%)	95.08	(0.7%)	152.51	(1.3%)	1,981.89	(8.3%)	25.32	(0.1%)	
	LA	282.52	(2.7%)	0.00	(0.0%)	59.26	(0.5%)	100.00	(1.2%)	1,945.72	(9.5%)	0.00	(0.0%)	
	GA	5.28	(0.3%)	22.73	(1.2%)	18.26	(1.0%)	35.78	(1.9%)	8.20	(0.4%)	5.31	(0.3%)	
	TC	18.68	(1.3%)	17.05	(1.3%)	17.56	(1.3%)	16.73	(1.3%)	27.97	(1.9%)	20.01	(1.4%)	

(Unit: 100 million yen)

(Note) Contributions to international organizations are not included.

A New Foreign Policy Strategy: "Free and Open Indo-Pacific Strategy"

"Diplomacy that takes a panoramic perspective of the world map" "Proactive Contribution to Peace" based on the principle of international cooperation

Based on the accomplishments of the Abe Administration, Japan intends to further improve and expand these diplomatic concepts

"Free and Open Indo-Pacific Strategy"

A key for stability and prosperity of the international community is dynamism that is created by combining <u>"Two Continents"</u>: Asia that is rapidly growing and Africa that possesses huge potential for growth; and <u>"Two Oceans"</u>: Free and open Pacific Ocean and Indian Ocean

⇒ broaden the horizon of Japanese foreign policy by envisioning the above as an overarching, comprehensive concept

<u>Africa</u>

Full of potential

- population around 1.1 billion (15% of global population)
- \rightarrow around 2.5 billion in 2050
- account for 30,000,000 km (22% of global area)
- high economic growth rate (4.2% on average (2002-2013))
- rich in natural resources and promising markets
- ⇒progressing as a "developing continent" whereas still challenged by poverties and terrorism etc.

Japan will provide nation-building support in the area of development as well as politics and governance, in a way that respects the ownership of African countries.

Improve "connectivity" between Asia and Africa through free and open Indo-Pacific, and promote

stability and prosperity of the region as a whole



"Free and Open Indo-Pacific Strategy"

The Indian Ocean

* To make the "Free and Open Indo-Pacific Strategy" into shape, Japan will strengthen strategic collaboration with India, which has a historical relationship with East Africa, as well as the US and Australia.

<u>Asia</u>

- Increase in awareness of confidence, responsibility and leadership, as well as democracy, rule of law and market economy taking root in South East and South Asian countries
- ⇒ Currently expanding its success to Africa and bring out the potential of Africa as a "global main player " through a free and open Indo-Pacific

Japan will assist expanding infrastructure development, trade and investment, and enhance business environment and human development in the areas from East Asia, as a starting-point, to the 9 Middle East and Africa.

Regional Key Areas: Asia and Oceania



Regional Key Areas: Middle East and Europe



Regional Key Areas: Africa



Regional Key Areas: Latin America and the Caribbean

