

ODA
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Assistance for Low-Income Countries
through the World Bank Group

—International Development Association (IDA) 20 Replenishment—

In December 2021, Japan hosted the final meeting of IDA20 Replenishment of the International Development Association (IDA), which is a part of the World Bank Group. The meeting resulted in an agreement on the largest financing package ever mobilized in IDA's history.

IDA is an organization that is dedicated to supporting particularly low-income developing countries within the World Bank Group and it is the world's largest source of donor funds providing very long-term and low-interest loans, grants and other assistance. Moreover, IDA significantly contributes to global poverty reduction by responding in an integrated manner to diverse development issues in low-income countries in each region, regardless of particular regions or sectors, as the most important development finance institution in supporting low-income countries, which determines the direction of development agendas to be addressed by the international community. For example, IDA provides assistance in sectors such as economic growth promotion towards poverty reduction, infrastructure to improve living standards, global health, education, climate change, and disaster risk management.

In order to meet growing demands for the IDA's resources from low-income countries in their response to the COVID-19 crisis, the Government of Japan led discussions by calling to begin discussions on IDA replenishment ahead of other countries, and for the first time in its history, IDA has agreed to advance IDA20 replenishment by one year departing, from its ordinary three-year replenishment cycle.

At the final meeting hosted by Japan in December 2021, Prime Minister Kishida stated that, in parallel with Japan's provision of vaccine-related support for developing countries, IDA has also actively supported low-income countries in their response to COVID-19, including vaccine support, and IDA's

role has proven to be even more important during the crisis. Finance Minister Suzuki spoke of the importance of delivering vaccines and medicines, including to developing countries, to stop new variants from emerging, as well as the importance of further strengthening prevention, preparedness, and response for future health crises, including through promoting universal health coverage (UHC). Minister Suzuki also announced Japan's contribution of ¥376.7 billion (equivalent to approximately \$3.4 billion) to IDA. Including Japan's contributions such as this, a financing package of \$93 billion, the largest ever mobilized in IDA's history was agreed on, for IDA20 (covering the period from July 2022 to June 2025).

Under IDA20, 74 low-income countries across the world will be able to receive assistance from IDA. In this replenishment, it is planned to support countries with such development agendas as the following positioned as priority areas: responding to COVID-19 and strengthening health systems including through promotion of UHC, enhancing resilience to natural disasters, facilitating quality infrastructure investment, and ensuring debt transparency and sustainability.



IDA20 Final Meeting (December 2021) (Photo: World Bank Group)

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2

Promoting Initiatives for the Realization
of a “Free and Open Indo-Pacific”

The Indo-Pacific region, which extends from the Asia-Pacific region through the Indian Ocean to the Middle East and Africa, is the core of vitality for the world that is home to half of the world's population. To establish a free and open order based on the rule of law in this region, Japan advocated the concept of a “Free and Open Indo-Pacific (FOIP)” in 2016 and promotes efforts to realize it. The vision is widely shared not only by the United States but also by Australia, India, ASEAN, and major European countries and is becoming increasingly important towards the post-COVID-19 era.

Japan's Official Development Assistance (ODA) is one of the most important instruments for such efforts to realize FOIP.

For example, under FOIP, it is aimed to promote economic prosperity by enhancing connectivity across this region. It intends to achieve the growth of the entire region by developing ports, airports, roads, railways, and other infrastructure within the area in line with international standards and connecting cities and hubs with one another. The Mass Transit System Project in Bangkok (Red Line) in Thailand, which was developed through Japan's ODA loans and opened in August 2021, is one example of assistance for enhancing connectivity. This railway line, which connects the center of Bangkok, the capital of Thailand, with Don Mueang Airport and the surrounding areas, will contribute to alleviating and improving the issues of traffic congestion and air pollution in the metropolitan region. The new Bang Sue Grand Station, constructed as a part of this project, becomes Thailand's new symbolic terminal station for long-distance lines, and will be used for high-speed railway and conventional national railway lines in the future.

Japan's assistance towards Djibouti in East Africa is also introduced here as an example of efforts for securing peace and stability. The areas off the coast of Somalia and in the



A patrol vessel provided to the Djibouti Coast Guard in October 2021

Gulf of Aden, which Djibouti faces, are critically important sea lanes for Japan, with approximately 1,600 vessels related to Japan passing through these areas each year. However, piracy, armed robbery, illegal passage, illegal fishing, smuggling, and accidents occur frequently in the area. To address these issues, Japan has deployed anti-piracy operations by the Self-Defense Forces, as well as supported the Djibouti Coast Guard through ODA, including the provision of patrol vessels for maritime surveillance, capacity building in the operation and maintenance of vessels, and the establishment of Djibouti Coast Guard training frameworks.

With regard to the efforts to promote and consolidate the rule of law, to date, Japan has also provided assistance with the drafting of civil laws in China, Viet Nam, Cambodia, Nepal, and Laos through JICA technical cooperation. For Laos, Japan has consistently worked to support the development of the legal system over the course of approximately 20 years, and the country's first civil code was enacted in 2020 as the culmination of assistance. Japan had invested considerable amounts of time in human resources development, which played a central role in the drafting of the civil code and continues to provide assistance in the country aimed at the utilization and dissemination of the civil code following its enactment.

The stability and prosperity of Japan and this region cannot be realized without a “Free and Open Indo-Pacific” where various people, goods, and wisdom are actively exchanged, supported by highly transparent rules. Japan will make efforts to realize FOIP by utilizing various forms of assistance, including ODA.



Thailand's Mass Transit System Red Line, which opened in August 2021
(Photo: JICA)

Part

II

1

Cooperation Aimed at Achieving “Quality Growth”

Japan's Efforts for Achieving UHC

—Tokyo Nutrition for Growth Summit 2021—

● The COVID-19 Pandemic and UHC

In response to the global spread of COVID-19, it is important to achieve universal health coverage (UHC), which is based on the concept of “human security,” to “leave no one’s health behind.” This ensures that all people can receive effective and quality health services at an affordable cost.

Based on this approach, Japan has been providing approximately ¥340 billion (approximately \$3.1 billion) since immediately after the COVID-19 outbreak, both through bilateral assistance and international organizations. With an additional pledge made in June 2021 to provide \$800 million to the COVAX Facility, Japan will extend a total of ¥430 billion (approximately \$3.9 billion) of assistance (See Part I regarding Japan’s assistance against COVID-19).

Japan is also working on generating an enabling environment for health security across broader sectors, in addition to enhancing the ability to respond to COVID-19, centered around development and equitable access to vaccines, etc., as well as strengthening health systems to prepare for future health crises.

● Tokyo Nutrition for Growth Summit 2021

Nutrition is fundamental for supporting UHC. Nutrition improvement is part of Goal 2 of the Sustainable Development Goals (SDGs), and is deeply linked to other 12 goals. It is connected not only to the health sector but also to numerous other sectors, including agriculture, distribution, water and sanitation, and gender, therefore, it is essential to promote nutrition improvement in collaboration with each of these sectors for achieving the SDGs. A swift response is required as malnutrition becomes all the more serious, especially among socially vulnerable people such as children of poor families who cannot receive school meals due to school closures, while COVID-19 has led to a downturn in global socio-economic circumstances.

On December 7 and 8, the Government of Japan hosted the Tokyo Nutrition for Growth Summit*1 2021. At the Summit, participants discussed focusing on five thematic areas: (i) Health, (ii) Food, (iii) Resilience, (iv) Accountability, and (v) Financing, considering the worsened state of nutrition globally due to COVID-19, as well as the issue of the double burden of malnutrition, namely the co-existence of undernutrition that hinders growth and overnutrition that causes lifestyle-related diseases, which are being experienced across both high-income or resource-limited countries.

The Summit was attended by leaders and ministers from approximately 30 countries, heads of international organizations such as UN Secretary-General Guterres, the World Bank President Malpass, and WHO Director-General Tedros, and representatives from civil society organizations,



Prime Minister Kishida giving a speech (Photo: Cabinet Public Affairs Office of the Government of Japan)

the private sectors, and academia. (The Summit was held in a hybrid format that combines on-site participation of domestic guests and online participation from overseas.) Participants engaged in a broad range of discussions concerning nutrition improvement for people around the world, and deepened their common understanding of the direction of future actions. Over 390 commitments (expressions of political and financial intent) from numerous stakeholders were submitted, and the Tokyo Compact on Global Nutrition for Growth was issued as an outcome document, indicating the direction for the international society to improve nutrition.

From Japan, Prime Minister Kishida delivered an opening speech, and Foreign Minister Hayashi made a welcoming speech. In his speech, Prime Minister Kishida announced that Japan will provide nutrition-related assistance to the world, which will amount to over ¥300 billion, over the next three years. Foreign Minister Hayashi pointed out all stakeholders, including governments of both high-income and resource-limited nations, private sector entities, civil society, and academia, need to be united in addressing this important issue, and that each of us needs to steadily fulfill the commitments we have made.

Japan will make continuous efforts to provide such support to achieve UHC.

*1 The London Olympic and Paralympic Games took place in 2012. Taking the opportunity presented by this international sports festival, the Nutrition for Growth Summit was held for the first time in London in 2013 with the aim of considering the issue of nutrition on a global scale. Japan held the Nutrition for Growth Summit as the host country of the Tokyo Olympic and Paralympic Games.

Japan's Efforts and Support for Developing Countries to Achieve Net-Zero by 2050

Climate change is an issue that requires immediate actions on a global scale. In October 2020, Japan declared its aim to realize a decarbonized-society by reducing greenhouse gas emissions to net-zero by 2050, and is promoting initiatives for this.

In the meeting of the Global Warming Prevention Headquarters in April 2021, Japan announced that it aims to reduce greenhouse gas emissions by 46% in FY2030 from FY2013 levels, setting an ambitious target that is aligned with the long-term goal of achieving net-zero by 2050, and that it will continue strenuous efforts in its challenge to meet the lofty goal of cutting emissions by 50%. This goal means to raise the previous target by over 70%. Japan also announced this goal to the world at the Leaders Summit on Climate hosted by the United States in April 2021 and the announcement was welcomed by other nations, including the United States.

Japan advanced its efforts to substantiate measures to achieve net-zero by 2050 and the FY2030 target. In October 2021, Japan formulated the new Plan for Global Warming Countermeasures and the Strategic Energy Plan. It also submitted Japan's National Determined Contribution (NDC)*¹ which reflects the new reduction goals, and Japan's Long-Term Strategy under the Paris Agreement, which sets out initiatives to realize net-zero by 2050, to the Secretariat of the United Nations Framework Convention on Climate Change.

Japan has also accelerated collaboration and cooperation with other countries. At the Japan-U.S. Summit Meeting on April 16, 2021, the Japan-U.S. Climate Partnership was launched, with which both countries confirmed to promote initiatives under the following three pillars: (i) Cooperation and dialogue on climate ambition and implementation of the Paris Agreement, (ii) Climate and clean energy technology and innovation, and (iii) Cooperation on accelerating the transition to a decarbonized society in third countries, particularly in the Indo-Pacific. In addition, at the Japan-EU Summit on May 27, Japan and the EU launched the Japan-EU Green Alliance, a cooperative framework for the climate and environmental fields that includes the promotion of cooperation to support developing countries to transition to climate-neutral and climate-resilient societies.

At the G7 Cornwall Summit in June, Japan announced that it would provide assistance that amounts to ¥6.5 trillion

over the next five years from 2021 to 2025, both in public and private, and that it would enhance assistance in adaptation*² for countries that are vulnerable to the effects of climate change.

In addition, in the Summit Communique, the G7 committed to an end to new direct government support for unabated international thermal coal power generation by the end of 2021.

On top of this, at the 26th Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26), held from October to November 2021, Prime Minister Kishida stated his determination that Japan would be working in full force to take on climate change, a common challenge of humankind. In addition, in order to lead the initiative in fulfilling the goal of climate finance*³ that developed countries are collectively committed to the \$100 billion per year to assist developing countries' efforts, he announced the four new commitments below.

- (i) Developing leading projects worth \$100 million to transform fossil-fuel-fired thermal power into zero-emission thermal power that uses ammonia, hydrogen and other fuels, mainly in Asia, through the Asia Energy Transition Initiative, maximizing the introduction of renewable energy.
- (ii) Providing up to \$10 billion in the coming five years, which would include the contribution to the launch of Innovative Financial Facility for Climate as Japan partners with the Asian Development Bank and others to support the decarbonization of Asia and beyond, in addition to the contribution announced at the G7 Cornwall Summit in June 2021, in order to lead the initiative in fulfilling the financial goal of climate finance that developed countries are collectively committed to the \$100 billion per year.
- (iii) Doubling Japan's assistance for adaptation to climate change to approximately \$14.8 billion, both in public and private finance, in the five years to 2025.
- (iv) Providing financial assistance worth approximately \$240 million, in both public and private finance, for the forest sector in the five years to 2025.

Japan will steadfastly implement its commitments in the international community and continue to contribute proactively to climate change measures both through its own initiatives and the support for the efforts of developing countries.



"The COP26 Globe at the Hydro," at the COP26 venue (Photo: Karwai Tang/UK Government)



Prime Minister Kishida delivering a speech at the COP26 World Leaders Summit (Photo: Cabinet Public Affairs Office of the Government of Japan)

*1 See 64 on page 72.

*2 See 65 on page 75.

*3 At COP15 in 2009, developed countries agreed to collectively provide support worth \$100 billion per year, both in public and private finance, to developing countries up to 2020. Then, at COP21 held in 2015, developed countries agreed to keep this commitment through to 2025.

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Look East Policy and Japan's ODA
as Key Drivers of Malaysia's
Socio-Economic Development

—Building on 40 years of accomplishments we have made together—

The year 2022 marks the 40th anniversary of the launch of the Look East Policy in Malaysia. The Look East Policy aims to promote economic and social development and the establishment of an industrial base by sending students and government officials to Japan for study and training so that Malaysians can learn about Japanese work ethic, enthusiasm for working, morals, management skills, etc. The Government of Japan has consistently cooperated with the Look East Policy over the 40 years since its introduction.

For example, regarding study abroad programs, Japan supports international students so that they can adjust smoothly to classes in Japan by dispatching instructors to provide preparatory Japanese language education for them. With regard to training for government officials, Japan provides the Industrial and Technical Training Program, in which young government officials receive practical training at Japanese companies, and a training program targeting government high-level officials in managerial positions, in which they participate in training at local governments and private-sector companies in Japan. In addition, since 2015, Japan has provided training in areas such as cutting-edge industrial technology under the Look East Policy 2.0, which was established as the second phase of this Policy.

To date, the Government of Malaysia has sent approximately 26,000 students and government officials to Japan. As of the end of December 2021, over 60% of the Under-Secretary level officials of Malaysian government ministries and agencies have experienced studying or training in Japan.

In addition to the support for the Look East Policy, the Government of Japan has assisted with long-term planning and development of basic infrastructure such as roads, electric power, and water works through ODA, as well as improvements of industrial technology, for the socio-economic development of Malaysia. Japan has also supported industrial human resources development in Malaysia, including at the Centre for Instructor and Advanced Skills Training (CIAST)*1 in the 1980s and most recently, at the Malaysia-Japan International Institute of Technology (MJIT), which was founded as a university that carries out Japanese-style engineering higher education, including through sending



Providing guidance at MJIT

experts from Japan (See also page 37 for MJIT). The focus of Japanese assistance has shifted from vocational training to higher education, in line with Malaysia's economy and society.

These efforts that combine the Look East Policy with Japan's ODA represent the characteristics of Japan's development assistance, which respects the ownership of partner countries based on Japan's experience and knowledge, in order to provide support that is suitable for the actual situation and needs of partner countries. Malaysia's economy and society have developed smoothly through these efforts.

Furthermore, those who had been dispatched to Japan for study or training under the Look East Policy and returned to Malaysia make full use of what they learned in Japan by working in Japanese companies or by making policy as government officials, contributing not only to the Malaysian economy but also to mutual understanding and promotion of friendship between the two countries. The multi-layered human resource exchange fostered by the Policy has also supported Japanese companies in their investment and expansion into Malaysia. There are approximately 1,500 active Japanese companies in Malaysia, as of December 2021.

In this way, it can be said that the Look East Policy, while being a policy unique to Malaysia, is a project that Malaysia and Japan have created and implemented together. The Government of Japan will continue to collaborate with the Look East Policy and provide support for socio-economic development in Malaysia, which aims to become a high-income country by 2025. Japan, working together with the Government of Malaysia, will utilize the achievements of the Look East Policy over the last 40 years and ODA in order to promote cooperation with other countries, through efforts such as South-South cooperation.*2



Kuala Lumpur's cityscape, as seen from KL Tower

*1 Japan provided support from August 1982 to March 1991, with the aim of developing specialist workers. 10,826 people received training up to the end of 1993.

*2 See the glossary on page 106.

Holding PALM9 and Japan's Development Cooperation toward the Pacific Region

On July 2, 2021, the Ninth Pacific Islands Leaders Meeting (PALM9) was held via video conference. PALM is a summit meeting that has been held every three years since 1997. It involves candid exchanges of views at the summit level on various issues faced by the Pacific Island countries (PICs), with the aims of contributing to the stability and prosperity of the region and strengthening the partnership between Japan and the PICs. PALM9 was co-chaired by Japan and Tuvalu, and was attended by 14 island countries across the Pacific Ocean plus Australia, New Zealand, and others, totaling 17 countries and two regions.*1

At PALM9, then Prime Minister Suga announced “Japan’s Pacific Bond (KIZUNA) Policy,” which would further strengthen cooperation between Japan and the PICs. Japan works toward realizing a “Free and Open Indo-Pacific (FOIP)” and, in its relations with the PICs, Japan has been taking an “All-Japan” approach to strengthen its initiatives, such as establishing the Interagency Committee for Promoting Cooperation with Pacific Island Countries in 2019 as a working-level meeting among the relevant ministries. Japan named these efforts “Japan’s Pacific Bond (KIZUNA) Policy.”

Under this policy, the PALM Leaders set out the following five priority areas for the next three years: (i) COVID-19 Response and Recovery, (ii) Sustainable Oceans based on the Rule of Law, (iii) Climate Change and Disaster Resilience, (iv) Strengthening Foundation for Sustainable and Resilient Economic Development, and (v) People-to-People Exchanges and Human Resource Development. They also announced commitments such as people-to-people exchanges and human resource development for over 5,500 people. Moreover, the concrete initiatives that Japan would work on together with the PICs were compiled as the Joint Action Plan, an annexed document of the PALM9 Leaders Declaration. The PICs recognized the significant role that PALM has played so far and expressed their appreciation for the accomplishment of Japan’s commitment to the PALM8 and the new commitments regarding the five priority areas.



Then Prime Minister Suga attending PALM9 (Photo: Cabinet Public Affairs Office of the Government of Japan)



The Pacific Climate Change Centre in Samoa, a hub for human resources development for climate change measures (Photo: JICA)

Over the next three years, Japan will provide assistance according to the needs of each country, with a focus on the five priority areas. For example, with regard to (i) COVID-19 Response and Recovery, Japan will continue to support distributing, managing, and administering inoculation of COVID-19 vaccinations in cooperation with relevant countries and institutions*2 to improve fragile medical systems with few doctors and hospital beds, as well as to provide various support such as developing medical facilities, providing quality medical equipment, and building capacity for health and medical workers. Japan provides COVID-19 vaccines through the COVAX Facility while coordinating with other donor countries. In the area of (iii) Climate Change and Disaster Resilience, the PICs are prone to suffering natural disasters such as cyclones and are susceptible to the impact of climate change. Therefore, Japan will continue to provide training at the Pacific Climate Change Centre established as a hub for the development of human resources associated with climate change in 2019 in Samoa with Japanese assistance. Japan will also work on developing disaster-resilient infrastructure, providing assorted equipment for disaster risk reduction, and other initiatives. Also, regarding (v) People-to-People Exchanges and Human Resource Development, Japan will carry out support for human resource development, including technical cooperation and training programs, which are one of Japan’s strengths, such as accepting young government officials from the PICs who will be potential leaders in the future as interns at Japanese government institutions.

As a good partner of the PICs, Japan will support their self-reliant and sustainable development through such assistance.

*1 Participating countries and regions were Japan, 14 island countries (Tuvalu, Cook, Fiji, Kiribati, the Marshall, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu), Australia, New Zealand, New Caledonia, and French Polynesia.

*2 Australia, New Zealand, the United States, the Asian Development Bank (ADB), World Health Organization (WHO), the COVAX Facility, etc.

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ODA Public Relations

Learn more about Japan's ODA Activities that Bring Benefits to the World, and the Contributions of the Japanese People!

● Information dissemination about development cooperation

According to a Cabinet Office public opinion survey^{*1} conducted in 2020, in response to the growing awareness of the Sustainable Development Goals (SDGs), 85.7% of respondents answered that in development cooperation in the future “Japan should more actively promote development cooperation” or “The current level of development cooperation is appropriate,” indicating a positive evaluation for development cooperation. ODA, public funds for promoting such development cooperation, is a vital diplomatic tool to address global issues such as infectious diseases and climate change in collaboration with the international community, as well as to improve Japan's standing in the international community.

In order to further promote understanding of the need for ODA and what it actually is, the Ministry of Foreign Affairs (MOFA) is actively engaged in public relations efforts through various types of media, including the MOFA website, email newsletters, social media, and YouTube, and works to disseminate information broadly to the public.

● Documentary series

The “ODA Challengers” series^{*2} is a series of documentary-style videos that introduces the actual frontlines of ODA projects. The series covers subjects such as a female engineer making strenuous efforts on a subway construction site in India; technicians striving to resolve issues in the Olkaria Geothermal Power Development Project in Kenya; and a human resource development project in Laos conducted by a construction company from Wakasa Town, Fukui Prefecture. A video about a geological survey company from Sapporo, Hokkaido, taking on the challenge of repairing and maintaining wells in Bolivia depicts a story where the company and employees were able to grow together through their first overseas expansion.

MOFA also released a video series named “Japanese People Shaping the Future of the World,”^{*3} which explores the enthusiasm of frontrunners who are actively involved in disaster risk reduction, peacebuilding, health and medical care, and other fields, through dialogue with them based on the theme of “Human Security.” MOFA appointed author and TV personality Mr. MATAYOSHI Naoki as the host of this series.



Documentary series



Go! ODA-Man

● Go! ODA-Man

In addition, ODA-Man, who enters the fourth year as MOFA's ODA PR character (see also “Strengthening public relations and information dissemination” on page 138), has also released a variety of videos^{*4} to inform people about Japan's ODA that contributes the world. In 2021, three videos focused on assistance in the infrastructure sector, including roads, ports, and railroads, were released: “ODA on the Road to Development,” “A Partner'ship in Port Development!,” and “Envisioning the Future through Urban Railroads.” Please take advantage of those videos in school and university classes as a beginners' guide to ODA.

● Global Festa JAPAN 2021

In October 2021, the international cooperation event Global Festa JAPAN^{*5} was held for the first time in two years. The theme of this year, the 30th year, was “Toward a Society with Rich Diversity—Let's Talk about the Future We Want.” There was an on-stage program with appearances from a wide array of guests, as well as experience-based events, including exhibitions and activity reports from NGOs, international organizations, private companies, universities and other entities working in international cooperation. The event was held in a hybrid format combining on-site participation and online streaming, and a total of over 10,000 people attended on-site or participated online over the two days.

MOFA held panel discussions and talk sessions focused on diversity, regional revitalization and the overseas expansion of small and medium-sized enterprises, and the participation of the younger generation. Moreover, there was a record high of 234 entries in MOFA's customary photo contest, in which professional photographer Mr. AOKI Hiroshi and Mr. YONEYAMA Kazuhisa of Leica Camera Japan Co., Ltd. served as judges and selected the winning works. The results are available in the event report^{*5} on the ODA website.

^{*1} The FY2020 Public Opinion Survey on Diplomacy took place from October to December 2020. The Cabinet Office entrusted it to a survey organization, which implemented a mail survey of 3,000 Japanese nationals aged 18 and over across Japan (<https://survey.gov-online.go.jp/r02/r02-gaiko/index.html>) (in Japanese only).

^{*2} https://www.mofa.go.jp/mofaj/gaiko/oda/sanka/page24_000070.html (in Japanese only)

^{*3} https://www.mofa.go.jp/mofaj/gaiko/oda/sanka/page23_001312.html (in Japanese only)

^{*4} https://www.mofa.go.jp/mofaj/gaiko/oda/press/event/page22_001008.html (in Japanese only)

^{*5} https://www.mofa.go.jp/mofaj/gaiko/oda/press/event/page23_001313.html (in Japanese only)