

### 3 Efforts to Ensure Appropriate Development Cooperation

Japan's development cooperation centered on ODA has not only contributed greatly to the development and growth of developing countries, but also to establishing firm bonds of friendship and trusting relations between Japan and developing countries. It has also made a large contribution toward enhancing Japan's standing in the international community and ensuring the peace and prosperity of Japan. On the other hand, there have been cases of fraud committed in ODA projects, failures in delivering expected outcomes, and delays due to unforeseen circumstances.

The Government of Japan has made various efforts to take lessons from these experiences for the future, such as improving evaluation systems, enhancing transparency, improving project management processes, and holding dialogues with a wide range of stakeholders, including recipient countries and civil society. The Government of Japan will continue to make tireless efforts to implement more effective and appropriate development cooperation.

In order to implement projects with due consideration for environmental and social aspects, JICA has established the Guidelines for Environmental and Social Consideration as a part of its efforts to ensure the appropriateness of its development cooperation. In 2022, JICA revised the Guidelines based on the response of the international community to the threats of climate change and efforts to improve the quality of environmental and social considerations.

#### (1) Prevention of Fraudulent Practices

Fraudulent practices related to ODA projects not only hinder their appropriate and effective implementation, but also undermine trust in ODA that is funded by the taxes paid by the people of Japan. Therefore, fraudulent practices are absolutely unacceptable.

Based on lessons learned from past fraudulent practices, MOFA and JICA have strengthened efforts to prevent those practices. These include enhancing monitoring systems (such as "strengthening the function of the consultation desk for information related to fraud and corruption" and "expanding third-party checks"), reinforcing penalties (such as "increasing the maximum period for suspension measures," "raising the amount of penalty charges for breaching contracts" and "introducing a point-deduction system on corporations that repeatedly commit serious fraudulent practices"), and expanding the scope for suspension measures

(such as "including the groups of the corporations on which the measures have been imposed, as well as entities who have received business transfers from the corporations for which the measures have not yet been lifted, in the scope").

Japan remains firmly committed to the prevention of fraudulent practices in ODA with the strong determination that fraudulent practices related to ODA projects are absolutely unacceptable.

#### (2) Securing the Safety Measures for People Involved in International Cooperation Projects

Ensuring the safety of not only JICA-related workers but also all people involved in international cooperation projects, such as employees of companies and members of NGOs, is a prerequisite for the implementation of development cooperation centered on ODA projects. In 2022, the relaxation and removal of border measures and movement restrictions against COVID-19 progressed worldwide. MOFA and JICA remained vigilant even in these circumstances and continued to conduct appropriate risk assessments and take appropriate measures to prevent infections or the spread of infections during overseas travel, striving to ensure the safety of the people involved in international cooperation projects, including Japan Overseas Cooperation Volunteers (JOCVs), and making every effort to facilitate their projects.

Following the terrorist attack in Dhaka, Bangladesh, in July 2016, the "Final Report" <sup>23</sup> was released as the outcome of the review by the Council on Safety Measures for International Cooperation Projects, in which the relevant ministries, agencies, government-related organizations, and experts participated. MOFA and JICA make efforts to implement the safety measures <sup>24</sup> mentioned in the Final Report, and also continue and enhance actions to ensure the effectiveness of safety measures for people involved in international cooperation projects. The Council has



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<sup>23</sup> [https://www.mofa.go.jp/policy/oda/page22\\_000141.html](https://www.mofa.go.jp/policy/oda/page22_000141.html)

<sup>24</sup> The following five points are listed as new safety measures: (i) Strengthening the collection, analysis, and sharing of threat information, (ii) Code of conduct of project partners and NGOs, (iii) Physical and non-physical protective measures, and strengthening training and drills, (iv) Post-crisis response, and (v) Heightening crisis management awareness and improving organizational structures of MOFA and JICA.

become permanent after the Final Report and the Council in 2022 discussed the safety measures for the people involved in international cooperation projects in light of the recent changes in the global situation, including the terrorism and security situation.

As the risk of terrorism remains serious even amid the COVID-19 pandemic, MOFA enhanced the contents of “Golgo 13’s Security Guidelines for Japanese SMEs Abroad (in Japanese only)” series in April 2022, which has been utilized to strengthen safety measures of Japanese citizens, including those involved in international cooperation projects, by releasing additional episodes and commentary videos on how to tackle “multiple risks” such as terrorism amid an infectious disease pandemic. Since October 2022, MOFA has started the distribution of educational messages and useful knowledge regarding safety measures in collaboration with the Golgo 13 series as “Message from Duke Togo” on the LINE messaging platform.

### (3) Enhancing Management and Ensuring Accountability of ODA

In order to enhance management and ensure the accountability of ODA, Japan has taken the following measures: (i) enhancing the PDCA cycle (project formation (Plan), implementation (Do), evaluation (Check), follow-up activities (Act)), (ii) strengthening program approaches, and (iii) reinforcing “visualization.”

With regard to enhancing the PDCA cycle, the ongoing efforts include: (i) formulating Country Development Cooperation Policies for all recipient countries of Japan’s ODA, (ii) convening the Development Project

Accountability Committee, (iii) setting indicators for each project, and (iv) strengthening the evaluation mechanism.

In order to implement ODA projects more effectively and efficiently, strengthening of the PDCA cycle not only at the project level but also at the policy level is required. To this end, MOFA conducts policy evaluations of economic cooperation policies based on the “Government Policy Evaluations Act (GPEA)”<sup>25</sup> as well as ODA evaluations by third parties in order to ensure objectivity and fairness. The recommendations and lessons obtained from these evaluations are reflected in ODA policy to further improve ODA management.<sup>26</sup>

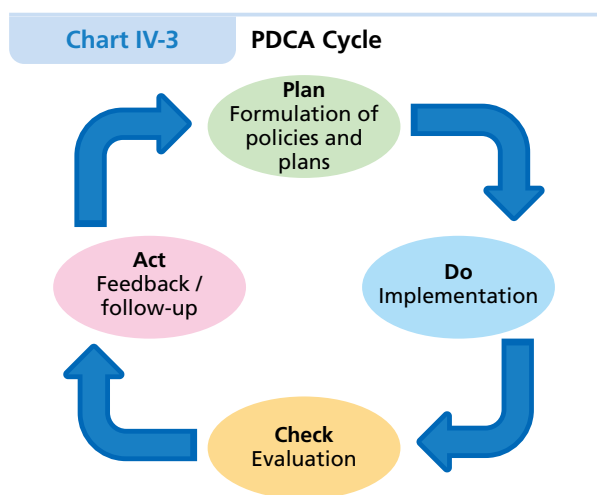
The ODA evaluations by third parties are conducted both from “development viewpoints,” which determine whether ODA is contributing to the recipient country’s development, and from “diplomatic viewpoints,” which determine what favorable impacts ODA has on Japan’s national interests.

Evaluations from “development viewpoints” are conducted based on three evaluation criteria, namely, whether the ODA policies are consistent with Japan’s high-level policies, global priority issues, and the needs of the recipient countries (Relevance of Policies), what effects Japan’s ODA has in practice (Effectiveness of Results), and whether appropriate processes had been taken to ensure the Relevance of Policies and Effectiveness of Results (Appropriateness of Processes). Evaluations from “diplomatic viewpoints” are conducted based on two criteria: how ODA is expected to contribute to Japan’s national interests (Diplomatic Importance) and how ODA has contributed to the realization of Japan’s national interests (Diplomatic Impact).

In view of the plan to formulate a new Development Cooperation Charter during the first half of 2023, MOFA conducted the “Review of Japan’s ODA Evaluations from FY2015 to FY2021” in 2022 by reviewing past ODA evaluation reports in line with the main items of the Development Cooperation Charter, with the aim of providing recommendations for future ODA policies, issues to be considered for their implementation, and new perspectives to be included.

MOFA publishes the evaluation results on its website<sup>27</sup> to fulfill public accountability and to gain public understanding and support for ODA by enhancing the transparency of ODA.

JICA also conducts evaluations on respective projects of grant aid, loan aid, and technical cooperation, as well as thematic evaluations. JICA conducts consistent ex-ante,



<sup>25</sup> Other than at the policy level, ex-ante evaluations are conducted on loan aid projects in which the maximum amount of loan offered through an Exchange of Notes (E/N) is ¥15 billion or more and on grant aid projects in which the maximum amount of aid offered through an E/N is ¥1 billion or more. In addition, ex-post evaluations are conducted on “pending projects” and “incomplete projects.” (“Pending projects” are projects for which the loan agreement has not been signed or loan disbursement has not begun after five years have elapsed following the decision to implement the project, etc. “Incomplete projects” are projects for which loan disbursements have not been completed after 10 years have elapsed following the decision to implement the project, etc.)

<sup>26</sup> In addition to policy-level ODA evaluations (third-party evaluations), regarding grant aid implemented by MOFA, internal evaluations are carried out for projects in which the maximum amount of aid offered through an E/N is ¥200 million or more, and third-party evaluations are carried out for projects of ¥1 billion or more since FY2017. The results of these evaluations are publicized and utilized to improve the formation of future ODA projects.

<sup>27</sup> <https://www.mofa.go.jp/policy/oda/evaluation/index.html>

implementation, and ex-post evaluation for each project and establishes a coherent evaluation mechanism for each of these aid modalities. As for projects that exceed a certain amount, JICA conducts ex-post evaluations by third-party evaluators. JICA also strives to enhance impact evaluations,<sup>28</sup> recognizing the importance of quantitative examination of the effects of their projects.

The ODA evaluations conducted by MOFA and JICA are primarily based on the Evaluation Criteria of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD).<sup>29</sup>

#### (4) Efforts to Address Sexual Exploitation, Abuse, and Harassment in Development Cooperation

International concern regarding sexual exploitation, abuse and harassment (SEAH) in humanitarian and development assistance has been growing in recent years. In October 2018, the United Kingdom held an international conference on SEAH and major donors including Japan signed commitments to strengthen efforts to tackle it. In July 2019, the OECD DAC adopted the “DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Cooperation and Humanitarian Assistance.”

In response to such movements, MOFA conducts

awareness raising activities such as training for its staff. It also posts the summaries of Japan’s basic position and the DAC Recommendation on the MOFA website<sup>30</sup> to promote public understanding.

JICA raises awareness of the importance of SEAH prevention among a wide range of relevant parties involved in JICA projects by posting a message from the president about eradicating SEAH on its website,<sup>31</sup> and by adding SEAH prevention measures to its employment regulations and ethics guidelines for JICA personnel. JICA also works to develop a consultation service as well as a response and monitoring system in the event that cases arise.

The eradication of SEAH was one of the agenda items at the Partnership Promotion Committee Meeting of the NGO-Ministry of Foreign Affairs Regular Consultation Meetings, which were held in August 2021 and January 2022. In response, MOFA took measures such as incorporating SEAH prevention into the implementation guidelines for the Grant Assistance for Japanese NGO Projects in FY2022, and continuously considers specific measures in collaboration with relevant parties in Japan.

In December 2021, a joint letter to the UN Secretary-General was issued, led by the United Kingdom and other like-minded countries, as a call for further efforts by UN agencies to prevent and respond to SEAH, and Japan (Foreign Minister Hayashi) joined in signing the letter.

<sup>28</sup> Evaluation method verifying the effects of development projects by using methods from statistics and econometrics.

<sup>29</sup> DAC evaluation criteria: In December 2019, coherence was added to the criteria of relevance, effectiveness, efficiency, impact, and sustainability that had been in use since 1991.

<sup>30</sup> [https://www.mofa.go.jp/mofaj/gaiko/oda/about/doukou/page24\\_000019.html](https://www.mofa.go.jp/mofaj/gaiko/oda/about/doukou/page24_000019.html) (in Japanese only)

<sup>31</sup> [https://www.jica.go.jp/english/our\\_work/compliance/seah\\_eradication.html](https://www.jica.go.jp/english/our_work/compliance/seah_eradication.html)