

Revision of Development Cooperation Charter

June 2023
MOFA of JAPAN

Background

1992 Establishment of **ODA Charter** (Revised in 2003, Renamed in 2015 as Development Cooperation Charter)

September 2022 Foreign Minister HAYASHI announced to revise the Charter.

➡ Drafting process included Advisory Panel meetings, public comment procedure and public hearing meetings

June 2023 Cabinet Decision on revision of **Development Cooperation Charter**

Objectives of the revision

- The international community is **at a historic turning point**, facing **compound crises**
⇒ **Enhanced engagement with developing countries** is necessary.
 - Loans by emerging donors that disregard debt sustainability are not contributing to the growth of developing countries.
⇒ **Coordinated cooperation based on transparent and fair rules** is required.
 - Growing flow of **private funds** and **diverse actors** ⇒ Further enhanced coordination and mobilization of funds are necessary
- ➡ Japan reviews the Charter to present new direction for development cooperation in order to make a further **effective and strategic use of develop cooperation** as one of the most important tools of its diplomacy.

Review at a glance

- **Basic Policies**
 - ✓ **Human Security in the new era** (protection and empowerment of individuals and **solidarity**)
 - ✓ **Co-creation** with developing countries (support for self-help efforts ⇒ **creation of social values** through dialogue and cooperation)
 - ✓ **Dissemination and implementation of international rules and guidelines** (inclusiveness, transparency, and fairness)
- **Priority areas**
 - ✓ **Quality growth in the new era** (address pressing challenges including **climate change, health, humanitarian crises**, as well as **digital transformation** and **economic resilience** such as **food and energy**)
 - ✓ **Free and open international order** based on the rule of law (promoting efforts to achieve free and open Indo-Pacific (FOIP))
- **Evolved implementation**
 - ✓ **Co-creation with various actors** (enhanced solidarity with private companies, public financial institutions, other donors, international organizations and civil society to maximize development effect)
 - ✓ **More strategic and proactive cooperation** (“offer-type” cooperation leveraging Japan’s strengths and proposing cooperation menus)
 - ✓ **Further improvement of the ODA system** (more flexible, more efficient and more expedited)