

# Introduction of the Grant Equivalent System in the ODA Calculation

Achieving greater accuracy in evaluating Japan's donor efforts through the new system

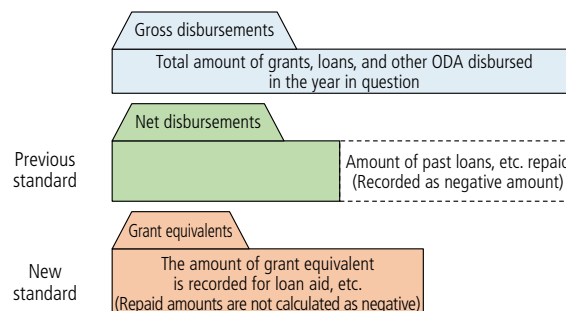
The Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD) collects and publishes data on the internet and other media, based on the reporting from member countries with regard to the actual volume of ODA extended by each member country in a year. DAC also establishes a set of rules on what constitutes ODA, and how member countries calculate and report actual ODA flows to DAC, etc. The **"Grant Equivalent System (GE system)"**<sup>\*</sup> has been introduced as the calculation method from 2018 statistics for actual ODA flows, replacing the previous "net flow system."

A notable characteristic of this new system is its method of calculating the total disbursement of loan aid (such as ODA loans). Under the net flow system, which was the previous calculation method, newly disbursed amounts were calculated as positive, but on the other hand repaid amounts were calculated as negative. This means that when repayment is eventually completed for an ODA loan project, the amount disbursed for the implemented project statistically becomes zero as the positive and negative amounts offset each other.

In contrast, the new GE system focuses on how soft the terms of loan are for the loan aid provided. In addition to the amount of loan provided, it also takes into consideration elements including the terms of loan, such as interest rate and repayment period, and whether the aid is directed toward least developed countries and low income countries that have a greater need for assistance. Thus, out of the gross disbursement of loan aid, the new system calculates the grant equivalent as actual ODA disbursements. For this reason, unlike the previous system, the ODA disbursements do not decrease even when an ODA loan is repaid. Under the GE system, the more concessional the terms of loan are, the greater the amount that is calculated as the grant equivalent. Hence, the system provides a more accurate reflection of donors' efforts (see Figure 1).

As Japan provides large amounts of loan aid to developing countries on favorable terms, the calculated amount of actual ODA disbursements in 2018 increased by approximately 40% when compared with the amount calculated using the previous net flow system (see Figure 2). As a result, Japan, which would rank fifth among DAC member countries on the net disbursement basis, ranked fourth on the grant equivalent basis. Similarly, with regard to the ratio of ODA disbursements to Gross National Income (GNI), Japan's ratio, which would be 0.20% on the net disbursement basis (20th among the 29 DAC member countries), rose

Figure 1: Comparison of ODA calculating methods



to 0.28% (16th) on the grant equivalent basis.

In recent years, various discussions have been held in the DAC on the so-called "modernization of ODA," with a view to improving ODA to align with the present era, and Japan is also actively participating in these discussions. The introduction of the GE system was decided at the DAC High Level Meeting in 2014, and could be described as one of the achievements of the "modernization of ODA." At the DAC meetings, there are some cases when opinions differ greatly among member countries depending on the point of issue, and some member countries face difficulties in building consensus. However, since the decision was made in 2014, technical problems concerning the specific rules of the calculation methods for the new system have been resolved one by one through discussions among the member countries, as they moved toward the full-scale adoption of the GE system from 2018. Trial reporting of ODA figures based on the new system to the DAC also began from 2015.

The situation surrounding development cooperation is significantly changing with the times. In order to effectively address the current challenges such as contributing to the achievement of the SDGs, mobilizing resources to meet the huge demand for development funds such as for infrastructural development, and solving global issues, continuous discussions among countries and trial-and-error process are ongoing toward establishing rules and collecting data on ODA and other forms of development funds.

Figure 2: Comparison of ODA disbursements by the GE system and net flow system (Disbursements of top 10 DAC member countries in 2018)

[Old] Net flow system (Unit: US\$100 million)			[New] GE system (Unit: US\$100 million)		
Rank	Country	Total Disbursements	Rank	Country	Total Disbursements
1	United States	337.9	1	United States	341.5
2	Germany	256.7	2	Germany	249.8
3	United Kingdom	194.6	3	United Kingdom	194.1
4	France	128.4	4	Japan	141.6
5	Japan	100.6	5	France	121.4
6	Sweden	58.5	6	Sweden	58.5
7	Netherlands	56.2	7	Netherlands	56.6
8	Italy	51.0	8	Italy	51.9
9	Canada	46.4	9	Canada	46.6
10	Norway	42.6	10	Norway	42.6
Total of DAC member countries		1,498.5	Total of DAC member countries		1,532.7

Note: Based on data published by OECD in January 2020

Japan ranked fifth under the net flow system, but ranked fourth under the GE system.

\* Following the introduction of the GE system, Japan's ODA disbursements calculated by the GE system are also used in the charts in this White Paper. Details are as follows:

1. Addition of the grant equivalent in the following charts: Chart I-1 (Page 8), Reference Statistics 2 (1) excluding disbursements for graduated countries (Page 153)
2. Use of the GE system for disbursements in 2018: Chart I-3 (Page 10), Chart I-4 (Page 11), Chart I-5 (Page 11), Chart I-6 (Page 12)

## ODA Topics

## 2

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

A “Free and Open Indo-Pacific (FOIP)” is a vision aimed at promoting peace, stability, and prosperity across the Indo-Pacific region by making the Indo-Pacific free and open as “international public goods,” through ensuring a rule-based international order, promotion of the rule of law, freedom of navigation, peaceful settlement of disputes and free trade, and self-reliant and sustainable growth.

The Indo-Pacific region, which extends from the Asia-Pacific through the Indian Ocean, to the Middle East and Africa, is the core of global dynamism, inhabited by half of the world’s population. In order to bring peace and prosperity to this region, there is a need to (i) enhance connectivity within the region such as through quality infrastructure development based on international standards, (ii) pursue economic prosperity by encouraging autonomous and sustainable growth, and at the same time, (iii) secure peace and stability by eliminating factors that inhibit prosperity, such as piracy and terrorism. Japan has been advancing specific efforts to realize a “Free and Open Indo-Pacific” in cooperation with various countries, while utilizing ODA in a strategic and effective manner.

The “Free and Open Indo-Pacific” was first announced by Prime Minister Abe in August 2016, and the vision is supported by many countries and regions. For example, the ASEAN Outlook on the Indo-Pacific (AOIP) was adopted at the ASEAN Summit held in June 2019, and the AOIP clearly sets out connectivity and maritime cooperation as areas for cooperation, among others. Japan fully supports the AOIP, which represents the vision of ASEAN, and aims to pursue synergy (multiplier effect) with the “Free and Open Indo-Pacific.” Furthermore, the outcome document for TICAD7 held in Yokohama in August 2019 stated that the heads of state of Africa and others “take good note of the initiative of a free and open Indo-Pacific.” Japan will further strengthen multi-layered cooperative relations while working closely with various partners, including the United States, Australia, India, Europe, and Southeast Asia, which is an extremely important region in the realization of a “Free and Open Indo-Pacific.”

At the G20 Osaka Summit under the Presidency of Japan in 2019, the heads of the G20, including emerging donor countries such as China and India, endorsed the G20 Principles for Quality Infrastructure Investment. These Principles cover important elements such as openness, transparency, economic efficiency, and debt sustainability, and serve as an international standard for the development of quality infrastructure as an important foundation for the realization of a “Free and Open Indo-Pacific.” The implementation of the Principles contributes to the huge demand for infrastructure in developing countries both quantitatively and qualitatively. In view of that, Japan aims to promote the Principles in cooperation with the respective countries and in turn, stimulate sustainable growth (see page 4 “Connecting the World with Quality Infrastructure” and page 16 “Quality Infrastructure” for details).



Sihanoukville Port in Cambodia, constructed with Japan’s assistance (Photo: JICA)



Multipurpose vessel provided to the Philippine Coast Guard (Photo: JICA)

For example, Japan has recently decided to support the construction of a multipurpose commercial port in Matarbari of south-eastern Bangladesh. This project aims to accelerate logistics with neighboring countries, and supports Bangladesh in its efforts to become a middle-income country by contributing to the economic growth of the country. Moreover, in Madagascar, Japan is undertaking a project to widen an existing arterial road to two lanes through the construction of two bridges. This will improve transport capacity and vitalize logistics in the country. Furthermore, in Djibouti, Japan is engaged in the construction of a ferryboat that can operate even during the monsoon season and the development of port facilities, in order to enhance maritime transport capacity between the capital and the city of Tadjourah in the north. This project is expected to contribute to the development of socio-economic foundations for sustainable development in the country. In addition, Japan is also advancing initiatives toward strengthening connectivity of the East-West Economic Corridor and Southern Economic Corridor in the ASEAN region, which fulfills an important role as a hub of the Indo-Pacific region. To that end, efforts are steadily underway, including the development of Sihanoukville Port in Cambodia, renovation of bridges on National Road No. 9 in Laos, and the development of the Thilawa Special Economic Zone in Myanmar, among other projects.

In order to realize a “Free and Open Indo-Pacific,” it is also necessary to put in place countermeasures against factors that impede economic development, such as piracy, terrorism, proliferation of weapons of mass destruction, natural disasters, and illegal fishing. Other important initiatives include human resource development and the establishment of rules through supporting the development of legal systems and legal capacity building, and the capacity building of maritime law enforcement and Maritime Domain Awareness through the provision of patrol vessels and coastal monitoring radar equipment, and training for the staff of maritime security agencies of each country and dispatch of Japanese experts, which also promotes the safety of maritime transport. One such example is the utilization of various ODA schemes to provide comprehensive support to the Philippine Coast Guard, which contributed to enhancing its maritime law enforcement capacity by providing equipment including high-speed boats and technical cooperation, such as training that utilized the equipment provided, as well as maritime training (see page 41 “The Seas” for details).

The stability and prosperity of Japan and this region cannot be achieved without a “Free and Open Indo-Pacific” that is underpinned by transparent rules and the active exchanges of people, goods, and wisdom. For this reason, Japan will continue to utilize various forms of cooperation to accelerate its initiatives alongside all countries and regions that share fundamental principles in order to realize a “Free and Open Indo-Pacific.”

## Efforts by the Government of Japan Aimed at Achieving the Sustainable Development Goals (SDGs)

2019: A year of demonstrating leadership worldwide and raising awareness in Japan

The Sustainable Development Goals (SDGs) are a set of international development goals to realize a sustainable and better world by 2030. As a successor to the Millennium Development Goals (MDGs) formulated in 2001, the SDGs are set out in “the 2030 Agenda for Sustainable Development” adopted at the UN Summit held in September 2015. The SDGs are an integrated initiative that harmonizes three aspects—economy, society, and the environment—considering them as inseparable with each other, and are universal goals that developed and developing countries should address together. The 2030 Agenda lists the “Sustainable Development Goals (SDGs) consisting of 17 goals and 169 targets, and advocate the principle that “no one is left behind.” This principle reflects the concept of human security, which Japan has been leading in the international community, and the whole of Japan is working as one to actively promote the SDGs.

After the adoption of the 2030 Agenda by the UN Summit in September 2015, Japan first built the foundations within Japan for the implementation of the SDGs. In particular, the SDGs Promotion Headquarters was set up in May 2016, headed by Prime Minister Abe and comprising all Cabinet Ministers as members, which established a system for the Government to work as one on the SDGs both domestically and internationally. Under the SDGs Promotion Headquarters, and through discussions by the SDGs Promotion Roundtable Meeting, comprising diverse stakeholders including the private sector, civil society, experts and international organizations, the SDGs Implementation Guiding Principles and the SDGs Action Plan were formulated. The former constitutes Japan’s national strategy

toward the achievement of the SDGs, while the latter sets out concrete measures. At the Eighth Meeting of the SDGs Promotion Headquarters held in December 2019, the SDGs Implementation Guiding Principles were revised to take into account the initiatives implemented over the past four years, as well as the latest trends in the international community. Based on the SDGs Action Plan 2020, the Government renewed its determination to further accelerate initiatives that contribute to the achievement of the SDGs, in line with the following three pillars: (i) business and innovation, (ii) regional revitalization, and (iii) empowerment of the next generation and women.

At the G20 Osaka Summit held in June 2019, the G20 Osaka Leaders’ Declaration reaffirmed the leaders’ commitment to the achievement of the SDGs, including promoting free trade, driving global economic growth through innovation and addressing disparity, and contributing to environmental and global issues. Furthermore, as the G20 Presidency, Japan led discussions for the achievement of the SDGs in seven fields, namely quality infrastructure, disaster risk reduction, marine plastic litter, climate change, empowerment of women, health and education. Moreover, Japan is also leading efforts toward the achievement of the SDGs at other international fora including the Seventh Tokyo International Conference on African Development (TICAD7) held in Yokohama in August the same year where the promotion of Japanese SMEs and SDGs businesses in Africa, as well as the utilization of science, technology, and innovation for SDGs (STI for SDGs) were incorporated in the Yokohama Plan of Actions 2019—a list of actions for the implementation of the



**SUSTAINABLE  
DEVELOPMENT GOALS**







Prime Minister Abe delivering a speech at the SDG Summit 2019 held at the United Nations (September 2019)

Yokohama Declaration 2019 adopted as TICAD7 outcome document (see page 85 for details on STI for SDGs). In light of these efforts, at the SDG Summit 2019 held at the United Nations in September 2019, Prime Minister Abe introduced how Japan has been promoting the SDGs through all-Japan efforts by sharing Japan's achievements in advancing the SDGs over the past four years.

Japan has also been putting effort into public-private partnership for raising awareness regarding the SDGs in and outside of Japan. For example, in addition to convening the Japan SDGs Award to commend companies and organizations that have put in place excellent initiatives toward the realization of the SDGs, it is also actively engaged in other initiatives for increasing the visibility of the SDGs such as conducting lectures across the country, contributing articles to magazines, carrying out various publicity and awareness-raising activities in collaboration with the transportation industry, entertainment industry, and the press, and disseminating information through the Ministry of Foreign Affairs' website<sup>\*1</sup> and social media.<sup>\*2</sup>

In recent years, ESG investment<sup>\*3</sup> has been growing worldwide, in which investors select and invest in companies with an outstanding track record in environmental initiatives and corporate governance. Seeing the potential of this trend, the Japanese business community

is actively leading efforts to promote the SDGs, and their efforts have also contributed to the rapid spread of the SDGs concept in Japan. According to a survey, it is said that as many as approximately one out of four Japanese citizens has become aware of the SDGs. Furthermore, the development of "creators of a sustainable society" has been set out in the preamble and general provisions of the new national curriculum standards for school-age children, which will be fully implemented from FY2020. Consequently, efforts for Education for Sustainable Development (ESD) are gradually becoming more widespread in classrooms. ESD contributes to the achievement of all the SDGs by fostering creators of a sustainable society who can think and act on their own to solve problems. It is expected that through ESD, children will have more opportunities to learn about the concept and approach of the SDGs in their school life, leading to the younger generation as well as their parents acquiring a stronger awareness of the importance of the SDGs, and the younger generation's participation in creating a sustainable future by 2030 and beyond.



With the aim of promoting the SDGs and raising awareness, Hankyu Hanshin Holdings, Inc. painted the SDGs logos on "SDGs trains" that operate along the Hankyu Kobe Main Line and Takarazuka Main Line (Photo: Hankyu Hanshin Holdings, Inc.)



Promotional video for the Sustainable Development Goals (SDGs) published on YouTube, produced through a collaboration between the Ministry of Foreign Affairs and Hello Kitty (Sanrio Co., Ltd.)

<sup>\*1</sup> Ministry of Foreign Affairs' website on the JAPAN SDGs Action Platform, operated for the purpose of introducing SDGs initiatives that are being implemented widely across society.

<https://www.mofa.go.jp/mofaj/gaiko/oda/sdgs/index.html>

<sup>\*2</sup> Ministry of Foreign Affairs' SDGs Twitter: [https://twitter.com/sdgs\\_mofa\\_japan](https://twitter.com/sdgs_mofa_japan)

<sup>\*3</sup> Acronym for Environment (E), Social (S), and Governance (G).

## ODA Topics

## 4

# Japan's Assistance in Sports to Developing Countries through "Sport for Tomorrow"

**SPORT  
FOR  
TOMORROW**

The long-awaited Olympic and Paralympic Games Tokyo 2020 (the Tokyo 2020 Games) will finally take place in 2020. Those who are reading this White Paper may wonder how the Tokyo 2020 Games is related to the White Paper on Development Cooperation. In fact, with a view to the upcoming Tokyo 2020 Games, the Government of Japan has been promoting an international contribution through sports, which is targeted to more than 10 million people in over 100 countries over seven years from 2014 to 2020 by supporting training and development of athletes in developing countries. This is the program titled "Sport for Tomorrow (SFT)." Under this program, Japan is providing the following assistance seeking to convey the value of sports and spread the Olympic and Paralympic Movement widely to people of all generations, with the aim of realizing a better future for the world:

- (i) **International cooperation and exchange through sports** (Improving sports-related facilities and providing equipment, dispatching and inviting sports instructors and athletes, technical cooperation in the field of sports, introducing Japanese cultures and supporting human resources development in the field of sports, supporting the formulation of school physical education curricula, dispatching experts to support the hosting of sporting events, support for increasing the number of participating countries and regions for the Paralympic Games, etc.)
- (ii) **Establishing a new international sports academy to foster international sports-related human resources** (Inviting and training international students in master's programs and short-term training programs in sports education in Japan.)
- (iii) **Further supporting international Anti-Doping Efforts** (Supporting the development and introduction of educational and training packages in countries that are lagging behind in anti-doping measures, etc.)

For example, Japan is engaged in the following initiative through the SFT in South Sudan, Africa.

In South Sudan, which has over 60 ethnic groups and a prolonged civil war, the Ministry of Culture, Youth and Sports of South Sudan has held a National Unity Day sports event since 2016, aiming to promote exchange, friendship, and unity among the people of Sudan, and to support peace and social cohesion from the citizenry. Japan has been providing support for the organization and operation of these sports events through JICA.

In 2019, the fourth sports event was held in Juba, the capital of South Sudan, for nine days from January 26 to February 3. The slogan of this event was "Peace and Social Cohesion," and more than 300 athletes participated in events such as soccer for male participants, volleyball for



Women's volleyball competition at the fourth sports event (Photo: JICA)



Mr. Akoon competing at the fourth sports event (Number 059, left front) (Photo: JICA)

female, and track and field for both.

At the opening and closing ceremonies, participants from all around South Sudan marched into the venue holding up messages expressing their wishes for peace and unity, while people from different tribes and backgrounds mingled and deepened exchanges during the sports event. The event has fostered a mindset towards peace and unity among youths, and many athletes who participated in the event have expressed their willingness to engage in peacebuilding activities through sports even after returning to their respective hometowns.

The National Unity Day sports event has contributed to enhancing mutual trust and unity, as well as promoting harmony among the people of South Sudan. In light of this, the significance of Japan's assistance for the promotion of peace through sports has been highly recognized. Consequently, at the fourth sports event, 12 countries, agencies, and organizations, including UN organizations, governments of other countries, and private companies, who shared and supported the idea of the event, offered assistance such as through funding and procurement of supplies. As this example represents, trust building and awareness raising activities on peace through sports are becoming ever more popular.

Furthermore, the events have borne further fruit, with the following four athletes qualifying as candidates to participate in the Tokyo 2020 Games, including Mr. Akoon who participated in the men's 400m hurdle race at the sports event. With the cooperation of Maebashi City of Gunma Prefecture, these athletes are being trained at an orientation camp in Japan before the Tokyo 2020 Games.

- (i) Mr. Akoon Joseph Akoon (Akoon): Men's track and field, Olympics (400m hurdles)
- (ii) Mr. Kutjang Michael Machiek Ting (Michael): Men's track and field, Paralympics (100m)
- (iii) Mr. Guem Abraham Majok Matet (Abraham): Men's track and field, Olympics (1,500m)
- (iv) Ms. Moris Lucia William Karlo (Lucia): Women's track and field, Olympics (100m)

Mr. Akoon participated in the fourth sports event, while the other three athletes participated in the first and second sports events.

The SFT has successfully achieved its goal of spreading the value of sports and the Olympic and Paralympic Movement to more than 10 million people in more than 100 countries and regions by 2020 ahead of schedule. Japan will continue its efforts to further contribute to peace and stability in developing countries through sports, by supporting the development of athletes, organization of sporting events, improvement of sporting facilities, and provision of equipment.



## The Marine Plastic Problem

Putting in place new initiatives to take action as the G20 Osaka Summit Presidency, together with developing countries

Plastic is easily mass-produced at a low cost, safe, and hygienic. For these reasons, it is used in a wide range of products such as shopping bags and bottles, etc. and has permeated many aspects of our lives. However, when the plastic product is not properly disposed of after use, illegally dumped in the oceans, or inadequately disposed of during a landfill operation, it eventually flows into rivers and oceans. This raises concerns of its adverse impact on marine ecology, tourism, fisheries, and aquaculture. Moreover, microplastic, which is generated when plastic breaks down into fine particles, can be consumed by fish and other marine life that mistake it for food. Consequently, the chemical substances in microplastics may enter our food chain, raising concerns on the possibility of its harmful effects on human health.

Generally, it is said that as much as 8 million tons of plastic litter flow into the oceans every year, the same weight as 50,000 jumbo jets. It is also said that once plastic flows into the sea, it continues to float in the water for a long time without disappearing, and according to one estimate, it would take 400 years for a single plastic bottle to be decomposed completely. This is an extremely long time, equivalent to the length of time from the Siege of Osaka in 1614 in the Edo period to the present day.

In June 2019, the G20 Summit was held for the first time in Japan, in Osaka. Japan took this opportunity to demonstrate its leadership in the international community by unveiling the Osaka Blue Ocean Vision as the G20 Presidency. The Osaka Blue Ocean Vision aims to reduce additional marine plastic pollution to zero by 2050. This Vision has made milestones since it was agreed upon by the heads of state of the G20, instead of the G7, and this relates to the source of marine plastic discharged around the world. The volume of marine plastic discharged by G7 countries has been estimated to make up approximately only 2% of the total, while that of the G20 countries is said to make up around 48% of the total. This figure highlights the fact that the marine plastic problem has to be addressed by all G20 members, including developing countries, as well as by the whole world.

The G20 Implementation Framework for Actions on Marine Plastic Litter was endorsed at the G20 Osaka summit in order to promote the coordinated and effective implementation of measures by each country towards the realization of the Osaka Blue Ocean Vision. Through this framework, member states will report and share their respective national actions on marine litter with other G20 members. The G20 member states, including developing countries, reached an agreement on a common global vision and international framework, and decided to reach out to other members of the international



Marine plastic litter on a beach in Thailand (Photo: Professor ISOBE Atsuhiko, Kyushu University)

community to disseminate them beyond the boundaries of the G20.

Japan also took the opportunity of the G20 Osaka Summit to announce the launch of the “MARINE Initiative.” As previously indicated, the reduction of marine plastic litter in the world cannot be achieved through the efforts of Japan alone, and it is necessary to take measures to prevent the discharge of marine plastic litter in developing countries. In light of this, the MARINE Initiative makes use of ODA and other means to provide support in the following four areas: (i) Management of waste, (ii) Recovery of marine litter, (iii) Innovation, and (iv) Empowerment with the aim of enhancing waste management in developing countries. Under this initiative Japan will also provide training for 10,000 officials engaging in waste management all over the world by 2025, as well as support for capacity building and human resource development in Southeast Asia. The results of this initiative are expected to be seen in the near future.

A good example of Japan's assistance so far is the training of cleaning staff and provision of waste collection vehicles in Bangladesh. Through Japan's support, the waste collection rate improved from 44% in 2004 to 80% in 2018. Japan is also utilizing these achievements for cooperation in quality infrastructure development for waste disposal.

Furthermore, there is a need to also build up scientific knowledge in order to reduce marine plastic litter. The real picture of the marine plastic discharge has not been completely figured out. Therefore, Japan contributed funding to the United Nations Environment Program (UNEP) in March 2019 in order to identify the source and route of marine plastic emissions, and establish models for monitoring methods in Southeast Asia (Mekong River basin) and India (the Ganges Valley and Mumbai), and subsequently lead these countries to introduce policies, such as the introduction of appropriate waste disposal systems.



Waste management training at a JICA center (Photo: JICA)

## ODA Topics

# 6

## Leading Group on Innovative Financing for Development

### Japan's initiatives in 2019 as Presidency

In its World Investment Report 2014, the United Nations Conference on Trade and Development (UNCTAD) pointed out that developing countries face an annual funding shortfall of some U.S. \$2.5 trillion in order to achieve the Sustainable Development Goals (SDGs) by 2030. Therefore, based on the recognition that funding through ODA from developed countries alone—which had been the conventional source of funding—is no longer sufficient, countries around the world are advancing efforts to review and promote various financing mechanisms that include the mobilization of private funds.

Accordingly, the Leading Group on Innovative Financing for Development was established in 2006 with the purpose of stimulating international discussions on innovative financing, and to promote further mobilization of private resources. Members of the group comprise 63 developed and developing countries including Japan, as well as international organizations including the United Nations.

In January 2019, Japan succeeded Georgia by assuming the Presidency of the group. The G20 Osaka Leaders' Declaration, which is the outcome document of the G20 Osaka Summit held in June 2019, clearly stated that the mechanism of innovative financing, including blended finance,\* plays an important role in promoting joint efforts with the G20 countries. Furthermore, Prime Minister Abe announced that Japan will lead international discussions on this theme.

Moreover, taking the opportunity of the UN General Assembly held in September the same year, Japan chaired a Meeting of the Leading Group on Innovative Financing for Development in New York as the Presidency. This meeting was attended by Foreign Minister Motegi, representatives from the United Nations and other international organizations as well as participating countries. In his opening remarks at the meeting, Minister Motegi presented that under Japanese presidency of the G20, the G20 leaders reaffirmed



Foreign Minister Motegi delivering a statement at the Meeting of the Leading Group on Innovative Financing for Development (September 2019)

the important role of innovative financing to achieve the SDGs in the G20 Osaka Leaders' Declaration, and expressed the need to increase the momentum toward further promotion of innovative financing by sharing the practices of each country in order to fill an annual funding gap necessary to achieve the SDGs.

Japan will continue to demonstrate its leadership in the international community with a view to expanding innovative financing.

\* An approach of contributing to development projects by combining various forms of financing in addition to public funds, such as commercial funds and funds from philanthropic foundations.

Learn more about Japan's ODA activities that contribute to the world!

## "Go! ODA-Man"

Looking back on 2019



### ○ Making complicated things easier to understand

Japan is engaged in various development cooperation efforts aimed at resolving the diverse issues and challenges faced by countries around the world. However, there is a broad range and scope of the activities, which makes development cooperation very difficult to understand, even though it is simply referred to as "ODA."

Thus, the Government of Japan launched an initiative in 2018 to provide explanations about ODA, appointing "Yoshida-kun," the main character in the popular animation "Eagle Talon," as "ODA-Man." The aim is to provide easy-to-understand answers, as far as possible, to questions such as "Why does Japan need to engage in development cooperation?," "What types of activities does it actually do?," and "What kind of modalities are available for ODA, and how are the ODA projects developed and designed?," and others.

After that, the first series of videos titled "Go! ODA-Man" were launched on YouTube, which takes a fun approach to explaining ODA and has received more than 400,000 views. Consequently "ODA-Man," whose activities have been highly recognized, visited the Minister of Foreign Affairs in September 2019, and was formally designated as an official character in the second year of his appointment.

### ○ ODA-Man's activities over the past year

The Ministry of Foreign Affairs launched its ODA Publicity Twitter account in May 2019, providing information through tweets about "ODA-Man's" trips abroad as he introduces ODA projects in diverse countries including India, the Solomon Islands, Kenya, and Kyrgyzstan as well as other information, such as recent topics related to international cooperation.



Check out the reports on ODA-Man's trips on Twitter!

In 2019, new episodes of the video "Go! ODA-Man" were released, including the "Business in Africa," "Saving the World through ODA," "Circle of Gratitude through ODA," and "Industry Vitalization." A simulation game, "You can also be 'ODA-Man'!" was also released in the same year. In this game, the player takes on the role of a Ministry of Foreign Affairs official who designs ODA projects in the fictitious country of the "Republic of Poko Poko." Great care has been taken to create contents that encourage those who are not interested in ODA, as well as people of all ages, to learn about ODA while having fun, so do check out these contents!





Video "Saving the World through ODA" of "Go! ODA-Man"

#### ○ "ODA-Man" shows up everywhere

In 2019, "ODA-Man" not only appeared in videos, but also took official trips around Japan. His first regional symposium was held in Shimane Prefecture to coincide with the hometown of "Yoshidakun," alias "ODA-Man." "ODA-Man" explained about ODA through videos and other means during the event introducing a wide range of initiatives such as large-scale ODA loan projects, support to developing countries by Japanese local governments through the JICA Partnership Program, and support programs which would benefit Japanese small- and medium-sized companies, including initiatives and efforts taken by Shimane Prefecture.

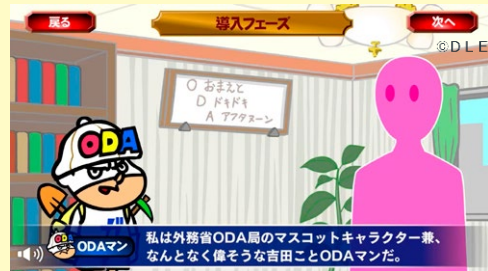
In addition, the international cooperation event, "Global Festa Japan," was held at Odaiba in Tokyo on September 28 and 29 and attracted more than 180,000 visitors throughout the two days. There were booth exhibitions by over 250 organizations including NGOs, private companies, international organizations, embassies in Tokyo, and universities, as well as a wide range of programs by various speakers on the main and special stages. "ODA-Man" also made an appearance at this event and introduced his original videos and games with voice-over by the voice actor, FROGMAN. During his walk around the venue, "ODA-Man" was approached by many visitors, from children to elderly people, exclaiming, "It's ODA-Man!," and there were even long queues of people waiting to take photographs with him. It was truly a successful event.



ODA-Man at Global Festa JAPAN 2019

#### ○ Conclusion

"ODA-Man" will continue to put his full efforts into deepening the interest and understanding of the Japanese people toward ODA. Your support is much appreciated.



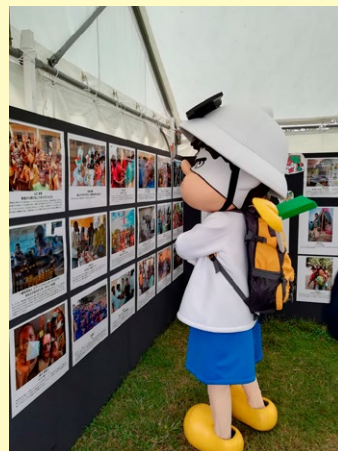
Simulation game "You can also be 'ODA-Man'!" You won't be in trouble with your supervisor even if you play it at work, I hope.



ODA-Man delivering a lecture at the symposium in Shimane Prefecture



Learning about ODA together!



ODA-Man looking at displays in the photo exhibition by the Ministry of Foreign Affairs "Eeru Yo Todoke! (May my cheers reach you!)"

Some of the photographs in the exhibition are introduced in the photo feature on pages 144 and 145.