

### 3. Efforts to Ensure Appropriate Development Cooperation

ODA implemented by Japan over many years has not only contributed to the development and growth of developing countries in various ways. It has also established firm bonds of friendship and trust between Japan and developing countries, enhanced Japan's standing in the international community, and further ensured the peace and prosperity of Japan. On the other hand, ODA has not been free from challenges and struggles. For example, there were cases of fraud committed in ODA projects and failures in delivering expected outcomes and delays due to unforeseen circumstances.

The Government of Japan has made efforts to consider these experiences as worthwhile and strived to turn them into lessons for the future. To this end, Japan has continued to make various efforts to improve evaluation systems, enhance transparency, and hold dialogues with a wide range of stakeholders, including civil society. Japan has also established the mechanisms to prevent fraudulent practices, held close dialogues and coordination with recipient countries, and arranged detailed project management and follow-up processes. The Government of Japan will continue to make ceaseless efforts to implement more effective and appropriate development cooperation.

#### (1) Anti-Corruption

Japan's ODA is funded by taxpayers' money. Fraudulent practices committed in ODA projects not only disturb their appropriate and effective implementation, but also undermine public trust in ODA projects. Fraudulent practices are absolutely unacceptable. In order to prevent fraudulent practices, it is necessary, for example, to ensure that companies and organizations are aware that fraudulent practices will always be revealed to the public if taken, and severe penalties will be imposed.

Therefore, based on lessons learned from fraudulent practices that occurred in the past, MOFA and JICA have taken measures to enhance its monitoring systems, such as "strengthening the function of the Consultation Desk on Anti-Corruption" and "expanding third-party checks," as well as measures to reinforce 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 engage in serious fraudulent practices." Furthermore, in 2018, the criteria regarding measures taken against corporate groups involved in fraudulent practices were revised. One of the revisions was "expanding the scope of targets for suspension measures," which enabled MOFA and JICA to take measures against the corporate

groups of suspended companies and organizations and measures against successors of business transfer during the term of imposed measures.

The Government of Japan will make continuous efforts to prevent fraudulent practices in cooperation with JICA, under the strong determination that fraudulent practices committed in ODA projects are absolutely unacceptable.

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

Ensuring the safety of people involved in international cooperation projects is a prerequisite when ODA projects are implemented. The threats are complex in the countries and regions where not only JICA-related personnel, but also a variety of people involved in international cooperation projects such as consultants, contractors, and NGO staff are working. The situation differs in each country and region and is constantly changing. Especially in 2020, in response to the spread of COVID-19, MOFA and JICA supported return and re-departure of people involved in international cooperation projects, such as Japan Overseas Cooperation Volunteers (JOCVs) who had been working on development cooperation on the ground in developing countries and other countries around the world (see Part I for details).

Furthermore, in response to the terrorist attack in Dhaka, Bangladesh in July 2016, MOFA and JICA, together with the relevant ministries and experts, reviewed safety measures for people involved in international cooperation projects and released a "Final Report" in August of the same year <sup>22</sup>. The Report recognizes that "safety is no longer free of cost" and that organizational leaders must take initiative in implementing safety measures. In order to secure the safety of a wider range of people involved in international cooperation projects including NGOs, the Report put together a list of actions to be taken relating to the following:

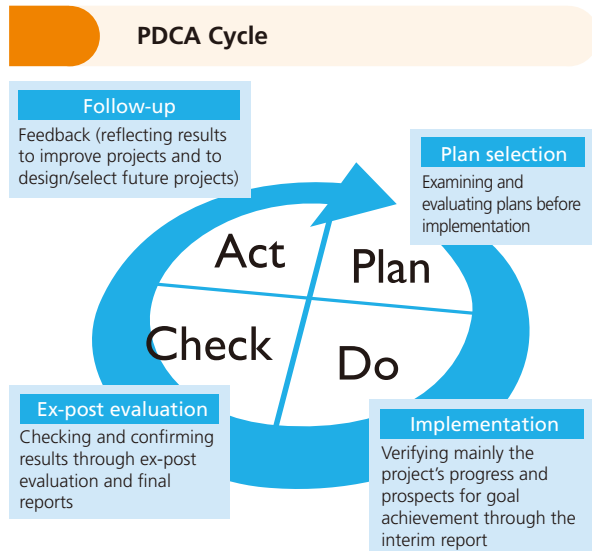
- (i) Strengthening the collection, analysis, and sharing of threat information
- (ii) Code of conduct of project partners and NGOs
- (iii) Physical and non-physical protective measures, and strengthening training and drills
- (iv) Post-crisis response
- (v) Heightening crisis management awareness and improving organizational structure of the MOFA and the JICA

MOFA and JICA have been making efforts to implement the safety measures mentioned in the Final Report. They are also continuing and enhancing actions to ensure the effectiveness of safety measures for people involved in international cooperation projects.

<sup>22</sup> [https://www.mofa.go.jp/policy/oda/page22\\_000141.html](https://www.mofa.go.jp/policy/oda/page22_000141.html)

### (3) Conducting Evaluation

In order to enhance management and ensure the accountability of ODA, the Government of Japan has been working on thorough implementation of the following measures: (i) enhancing the PDCA cycle (project formation (Plan), implementation (Do), evaluation (Check), follow-up activities (Act)), (ii) strengthening the Program Approach, 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>23</sup>,” as well as ODA evaluations by third parties who approach the evaluation from a neutral position. The recommendations and lessons obtained from these evaluations are reflected in ODA policy to further improve ODA management.

Third-party evaluations <sup>24</sup> are mainly carried out at the policy level (e.g., Country Assistance Evaluations

and Thematic/Aid-Modality Evaluations). They evaluate from development viewpoints based on three evaluation criteria, namely, whether the ODA policies are consistent with Japan's high-level policies, the needs of the aid recipient countries, and international priority issues (Relevance of Policies), how effective Japan's ODA is in practice (Effectiveness of Results), and whether appropriate processes had been taken to ensure the validity of the policies and effectiveness of the results (Appropriateness of Process).

In addition to development viewpoints, evaluations also incorporate the idea that it is important to verify the diplomatic impact of implemented policies and programs. Basically all of MOFA's third-party evaluations have been conducted using the diplomatic viewpoint since FY2015. Continued efforts are underway to improve evaluations from the diplomatic viewpoint in order to clarify the diplomatic importance and impact of ODA (how Japan's ODA has contributed to realizing its national interests). Furthermore, by making all evaluation reports available to the public on the MOFA website (<https://www.mofa.go.jp/policy/oda/evaluation/index.html>) and other means, MOFA fulfills its accountability to the public on how ODA has been used and what effects it has produced, while increasing the transparency of ODA, promoting public understanding about it, and encouraging public participation in it.

Moreover, JICA also conducts evaluations on respective projects of grant aid, ODA loan, and technical cooperation, as well as thematic evaluations on each project. JICA conducts consistent monitoring and evaluation from the ex-ante stage to the implementation and ex-post stage for each project and has established a coherent evaluation mechanism for these three aid modalities. As for projects that exceed a certain amount, JICA conducts ex-post evaluations by third party evaluators (external evaluations). JICA also strives to enhance impact evaluations <sup>25</sup>, recognizing the importance of quantitative examination of the effects of their projects.

These evaluations are conducted primarily based on the Evaluation Criteria of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD) <sup>26</sup>.

<sup>23</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 yen or more and on grant aid projects in which the maximum amount of aid offered through an E/N is 1 billion yen 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. “Incomplete projects” are projects for which loan disbursements have not been completed after ten years have elapsed following the decision to implement the project.)

<sup>24</sup> Regarding Grant Aid implemented by MOFA, internal evaluations have been carried out for projects of 200 million yen or more, and third-party evaluations have been carried out for projects of 1 billion yen or more since FY2017. The results of these evaluations have been publicized and utilized to improve the formation of future ODA proposals.

<sup>25</sup> Evaluation method verifying the effects of development projects by using methods from statistics and econometrics.

<sup>26</sup> DAC evaluation criteria: In December 2019, coherence was added to the five criteria of relevance, effectiveness, efficiency, impact, and sustainability that had been in use since 1991, resulting in a total of six evaluation criteria.

As an example of how Japan's ODA is viewed abroad, according to the Opinion Poll on Japan conducted among ASEAN member countries in March 2020 <sup>27</sup>, over 80% of the respondents answered, "Japan's ODA is beneficial to my country." In addition, according to the Opinion Poll on Japan conducted in three African countries (South Africa, Kenya, and Côte d'Ivoire) in November 2019 <sup>28</sup>, nearly 80% of the respondents answered, "Japan plays an important role in development cooperation, including Official Development Assistance (ODA), in the international community."

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

International society is further concerned about the problem of sexual exploitation, abuse, and harassment (SEAH) in development cooperation in recent years. In response to this, MOFA has been conducting training and other activities to spread awareness of this problem among its staff. It has also posted summaries of international commitment documents and recommendations in Japanese on the MOFA website to promote understanding among the Japanese public. In addition, JICA has taken measures such as posting on its website a message from the president about eradicating SEAH and adding SEAH prevention measures to its employment regulations and ethics guidelines for JICA personnel.

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<sup>27</sup> MOFA commissioned a polling institute to conduct an opinion poll on Japan, which targeted 300 individuals between the ages of 18 and 59 residing in 10 ASEAN countries (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam) using both the internet and interviews with some selected individuals.  
URL: [https://www.mofa.go.jp/mofaj/press/release/press4\\_008370.html](https://www.mofa.go.jp/mofaj/press/release/press4_008370.html)

<sup>28</sup> In the same way as the above-mentioned footnote <sup>27</sup>, MOFA commissioned a polling institute to conduct an online survey targeting 1,500 individuals between the ages of 18 and 59 (500 individuals from each country) residing in South Africa, Kenya, and Côte d'Ivoire.  
URL: [http://www.mofa.go.jp/mofaj/press/release/press4\\_008370.html](http://www.mofa.go.jp/mofaj/press/release/press4_008370.html)