

ASEAN Centre for Public Health Emergencies and Emerging Diseases

—Driving Japan-ASEAN cooperation toward the realization of a “Free and Open Indo-Pacific (FOIP)” by strengthening capabilities to respond to infectious diseases—

The coronavirus disease (COVID-19) has been raging across the world, and it has greatly impacted societies and economies in the Indo-Pacific region. The numbers of infections and deaths are still increasing around the world as of the end of December 2020, and large-scale lockdowns and other restrictions are having severe impacts on citizens' lives.

ASEAN^{*1}, which has been a long-term partner of Japan, is no exception. Even in the ASEAN region, which had recorded a low number of infections at the start of the year, the number of infections increased rapidly in a number of countries around April, highlighting the importance of establishing countermeasures against infectious diseases. This region has close geographical, social, and economic ties with Japan, and many Japanese companies have expanded their businesses in the region. Strengthening ASEAN's regional capabilities to cope with infectious diseases not only contributes to the region as a whole, but is also extremely important from the perspective of ensuring the safety of Japanese people living in the region, as well as preventing the spread of infectious diseases in Japan. Furthermore, for Japan, which has set forth the promotion of a “Free and Open Indo-Pacific” as a pillar of its diplomacy, supporting efforts to strengthen the infectious diseases response system in ASEAN countries, which is key to achieving this goal, is a top priority.

Under these circumstances, in response to a request from the ASEAN Secretariat, then Prime Minister Abe announced at the Special ASEAN Plus Three (Japan-China-Republic of Korea) Summit on COVID-19 held on April 14, 2020 that Japan would strongly support ASEAN on three pillars; namely, strengthening of ASEAN's infectious disease response capability, the ASEAN Centre for Public Health Emergencies and Emerging Diseases, and support for strengthening the resilience of the economy.

The ASEAN Centre for Public Health Emergencies and Emerging Diseases, positioned as a regional resource hub, aims to strengthen ASEAN's capabilities in preparing for, detecting, and responding to public health emergencies and emerging diseases. Specifically, plans for the Centre include enhancing surveillance and field epidemiology, creating regional reference laboratory networks^{*2}, and conducting training for personnel responsible for public health emergencies and emerging diseases, among other activities. Japan has contributed approximately ¥5.5 billion (\$50 million) to the Japan-ASEAN Integration Fund (JAIF^{*3}) toward the establishment of this Centre.

With a view to establishing the Centre as soon as possible without losing momentum, Japan has been conducting a feasibility study (FS^{*4}) since June 2020 in cooperation with experts from ASEAN countries, as well as various regions and organizations including the United States, Australia, and the



Prime Minister Suga attending the 23rd Japan-ASEAN Summit Meeting (Photo: Cabinet Public Affairs Office of the Government of Japan)

World Health Organization (WHO).

Preparations for the establishment of this Centre have been moving forward together with ASEAN, while also fully respecting ASEAN's needs and intentions, and the ASEAN member states have shown great interest in the initiative. The Mekong countries welcomed Japan's cooperation at the Mekong-Japan Foreign Ministers' Meeting held in September, while ASEAN member states commended Japan's cooperation at the Japan-ASEAN Foreign Ministers' Meeting and expressed that they were looking forward to the official announcement of the establishment of this Centre at the upcoming Japan-ASEAN Summit Meeting. The establishment was officially announced by Prime Minister Suga together with the leaders of ASEAN countries at the 23rd Japan-ASEAN Summit Meeting in November. On this occasion, the leaders of the ASEAN side expressed their appreciation for Japan's support.

To develop the ASEAN Centre for Public Health Emergencies and Emerging Diseases into an organization that protects the people of ASEAN from the threat of infectious diseases as a regional hub for public health emergencies and emerging diseases, Japan will spare no effort in providing continuous support to further accelerate the initiative, while also providing as much knowledge as possible. Going forward, Japan, as a true friend of ASEAN, will continue to work together with the region to overcome this difficult period and advance firmly toward realizing greater prosperity for a “Free and Open Indo-Pacific.”

*1 ASEAN comprises the following 10 member states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam. (Singapore and Brunei are not eligible to receive official development assistance (ODA).)

*2 A network of reference laboratories for realizing early-stage testing of pathogens, among other activities.

*3 See the glossary on page 40.

*4 See the glossary on page 141.

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ODA Topics

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

The concept of a “Free and Open Indo-Pacific (FOIP),” advocated by Japan in 2016, is becoming widely shared not only by the United States but also by Australia, India, ASEAN member states, and European countries.

On Prime Minister Suga’s visit to Viet Nam and Indonesia in October 2020, the leaders exchanged views regarding coordination between the “ASEAN Outlook on the Indo-Pacific (AOIP)” and FOIP. At the Japan-ASEAN Summit Meeting held in the following month, the “Joint Statement of the ASEAN-Japan Summit on Cooperation on ASEAN Outlook on the Indo-Pacific” was issued, confirming that the AOIP and FOIP share fundamental principles. The statement declares that cooperation will be enhanced in line with the priority areas of the AOIP, namely, maritime cooperation, connectivity, the SDGs, and economic and other possible areas of cooperation. The importance of FOIP and full support for the AOIP were reaffirmed at the Japan-Australia-India-U.S. Foreign Ministers’ Meeting held in Tokyo in October 2020. During his visit to African countries in December 2020, Foreign Minister Motegi and his counterparts of each country shared the view that they would cooperate toward the realization of FOIP. Japan will continue to work closely with various partners to strengthen the multi-layered cooperative relationship.

The basic approach to realize FOIP is as follows: (i) communicating policy on maritime order and sharing insights on the international law of the sea with the international community; (ii) rule-making to expand a free and fair economic sphere; (iii) achieving connectivity across the Indian Ocean and the Pacific; (iv) enhancing governance through capacity building and other measures; and (v) ensuring maritime security and maritime safety. To this end, Japan will utilize ODA in a strategic manner.

For developing quality infrastructure to promote connectivity across the Indian Ocean and the Pacific Ocean, Japan has been implementing projects that contribute to strengthening connectivity of: the Southern Economic



Tsubasa Bridge constructed with Japanese assistance
(Photo: KUNO Shinichi/JICA)

Corridor, which connects megacities such as Ho Chi Minh, Phnom Penh, and Bangkok, known as “Mekong’s aorta,” to the Indian Ocean; and the East-West Economic Corridor, which connects Da Nang in Viet Nam to Laos and inland Thailand and to the Indian Ocean through Myanmar. Specifically, Japan carries out initiatives that help improve the efficiency of logistics and alleviate traffic congestion, such as the construction of Tsubasa Bridge in Cambodia and the improvement of National Road No. 9 in Laos. In addition, Japan supports the construction of a new port in Patimban, West Java Province, Indonesia. In December 2020, a tentative opening ceremony was held to showcase the completion of parts of the facilities after the construction work for areas which are to open ahead of the main site had significantly advanced. Moreover, for enhancing governance through capacity building support and other measures, Japan, for example, dispatches macro-economic policy advisors aiming at strengthening the capacity of partner governments in fiscal policy and public debt management to encourage self-reliant and sustainable growth.

From the perspective of ensuring maritime safety, Japan has been actively providing support for capacity building for maritime law enforcement to countries along Japan’s sea lanes, such as the Philippines and Viet Nam, with the aim of building a free and open international order. Such efforts include providing patrol vessels, coastal monitoring radars, and other equipment, as well as human resources development through the dispatch of experts and trainings. Japan continues to make efforts to ensure peace and stability by eliminating factors such as piracy and terrorism.

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 active exchanges of people, goods, and wisdom. Japan will continue to utilize various forms of assistance, including ODA, in making efforts to realize FOIP.



Foreign Minister Motegi attending the second Japan-Australia-India-U.S. Foreign Ministers’ Meeting (October 6, 2020)

Cheering on Parents and Children around the World through Japanese Culture

In 2020, as COVID-19 spread across the globe, children and their parents were forced to spend long periods of time at home without being able to go out and play. To help support their health and ease their growing anxiety, Hello Kitty, together with Shimajiro, started the “Daisuki na Minna to Issho Project” (“You’ll always have your friends” Project)*¹, through which they published “Exercise with Friends” videos and distributed “Thank You Medal” coloring materials. For his part, PIKOTARO has been raising awareness of the importance of proper handwashing technique in an enjoyable way not only in Japan, but also all over the world, through his video “PPAP-2020-,”*² in which he uses his hands and soap instead of a pen and pineapple, as well as through the free circulation of his how-to-handwash poster. The Ministry of Foreign Affairs spoke to Ms. MAEDA Minami from Sanrio Company, Ltd., Hello Kitty’s corporate home, and members of the PIKOTARO production team at Avex Management Inc., to hear their story.

(1) “You’ll always have your friends, even if we’re apart”

● How did this project come about?

At Sanrio Company, Ltd. (Sanrio), we believed that in order to understand the anxiety of children and their parents around the world and raise their spirits, we needed to go beyond individual company boundaries and have Hello Kitty join forces with various different characters to face this difficult situation together. Around the same time, we had an opportunity to talk with the people in charge of Benesse Corporation’s “Kodomo Challenge,” who were using their characters for activities that could be done even under stay-at-home orders. Together we reached out to other companies in Japan to join us.

● What were the thoughts behind the planning and creation of this project?

Right now, people across the world are spending their days in a state of anxiety. To ease those feelings of anxiety as much as possible, we at Sanrio thought of this project as a way to gather characters from different companies, genres, and backgrounds to encourage children and their parents facing this difficult situation and send the following message: “Even if we can’t be together right now, we’ll always be with you. We’re cheering for you.”

● What exactly does this project look like?

“Exercise with Friends”*³ was developed in response to parents’ and guardians’ concerns that they and their children were feeling stressed from spending more time at home and that their children were not moving around or getting enough exercise. Under the supervision of experts, we designed and published exercise

videos that encourage physical fitness, even inside the home. We also created English and Chinese language versions for overseas viewers. In addition, with the participation of a total of 20 popular Japanese characters, we released “Thank You Medals”*⁴ for free circulation to be given to people who are doing their best under challenging circumstances.



A total of 20 characters teamed up to distribute “Thank You Medals” to be given to people who are doing their best under challenging circumstances

● What aspects of the project called for extra creativity?

Despite the challenges caused by the continuous spread of infection, we progressed from the planning stage to the release of both the “Exercise with Friends” video and “Thank You Medal” materials at a speed not possible under normal circumstances. This was thanks to the cooperation of each participating company. Since we could not gather for the shooting, we created and shared sample images of “Exercise with Friends,” and each company shot their part of the video individually where feasibly possible. Furthermore, for the “Thank You Medal” materials, which many companies participated in, we tried to devise content that would make it easy for the companies to take part, while also maintaining each of their characters’ worldviews as much as possible. As a result, as many as 20 characters took part in the initiative.

● What kind of response have you received?

As of the end of October 2020, “Exercise with Friends” has been played more than 10 million times, and the “Thank You Medal” coloring materials have been downloaded over 26,000 times. Many people around the world have enjoyed them. We have received many delightful comments, such as, “I really felt the message of ‘cheering on parents and children’ through the collaboration,” “I could sense that Kitty and her friends were there for us, children and their parents, and it made me happy,” and “since we can’t go outside freely, and both parents and children tend to feel physically and emotionally unbalanced, it makes me happy to think that our favorite characters are cheering for us.”

● Is there anything you would like to work on in the future?

Since before this project, Hello Kitty has been sending messages out to the world about “getting along” with others by showing compassion*⁵. We have also been promoting and raising awareness of the SDGs in cooperation with the United Nations and the Ministry of Foreign Affairs of Japan. This time, by launching a single project that transcends corporate boundaries, I believe we were able to convey those ideas more clearly. We will continue to deliver our message and thoughts to everyone through our characters with projects that make them happy.



“Exercise with Friends” was also featured on the United Nations’ COVID-19 Response website (<https://www.un.org/en/coronavirus/children-keeping-active-hello-kitty-and-friends>)

(2) "Wash your hands along with PIKOTARO's handwashing video 'PPAP-2020-'! Wash! Wash! Wash!"

● How did this project come about?

It felt like the world was in a state of fear that had never been experienced before because of COVID-19. So, we wondered whether there was anything we could do to overcome the situation using the power of entertainment.

KOSAKA Daimaou, the producer of PIKOTARO, came up with the idea that handwashing was a measure against COVID-19 that anyone could put in place right away. We came to the conclusion that if we conveyed proper handwashing technique in a fun manner, it would help to prevent infection. When "PPAP-2020-" was posted on April 5, 2020, it got more than 10 million views on YouTube within a month of its release and reached over 150 countries around the world. We believe our ideas were well received.

Immediately after getting such a positive response, we received a proposal for the "PIKOWash!" project^{*6}. We started the "PIKOWash!" project because it was about raising awareness of handwashing in a fun and proper manner, and thus, we had a common concept in that regard.

● What were the thoughts behind the planning and creation of this project?

We believe that people's anxiety reached a peak because they could not go outside due to the unknown fear of COVID-19. To alleviate this anxiety, we created the video through a trial-and-error process, wishing to deliver a method of preventing infection to people across the world with a smile.

● What exactly does this project look like?

After discussions with KOSAKA Daimaou, PIKOTARO's producer, we decided to make the project a fun way to spread awareness about preventing infection through proper handwashing. Furthermore, we targeted children around the world because we thought that a video that children would imitate would result in the whole family joining in, and in that way, the video would reach people around the world.

We released the video on YouTube to be shown worldwide, making sure that the music and choreography were easy to understand to overcome language barriers. By covering "PPAP," PIKOTARO's best-known work, we hoped that people would become familiar with the song as soon as possible. We focused on the details, such as the last part of the song, sending the message "Pray for People And Peace," which was the most important message we wanted to deliver to people.



In the video, PIKOTARO shows proper handwashing technique while repeating "wash!" along to the familiar PPAP song and choreography. UNICEF also tweeted, "the handwashing methods are spot on." (<https://twitter.com/unicefinjapan/status/1246993245973827584>)

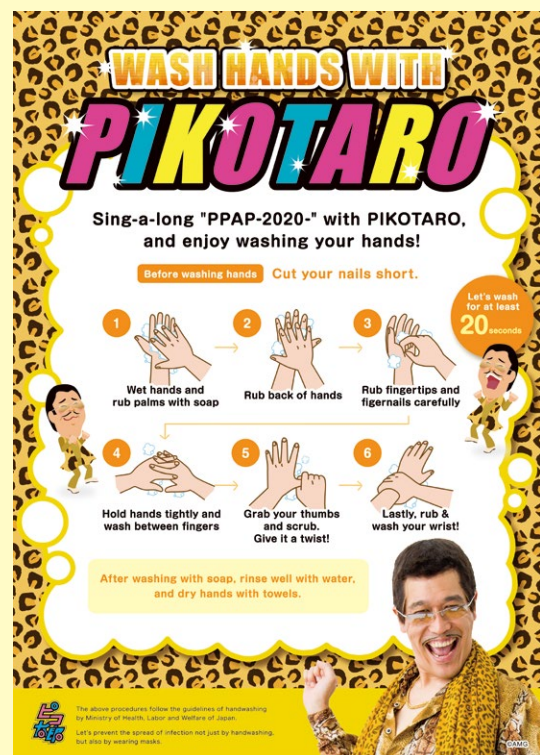
● What kind of response have you received?

The project was covered by many overseas media outlets, as well as by the media in Japan. We were very thankful for the many videos shared on social media in which children in Japan and abroad cheerfully sang, "Wash! Wash!" and danced along. The United Nations Children's Fund (UNICEF) Tokyo Office also introduced the video on their official Twitter account, commenting that "the handwashing method is spot on, so please try copying it." We have also received great feedback from people around us, such as, "my child is dancing all the time," and "thanks to the video, handwashing has become a habit for my children."

We have also received many requests from schools, boards of education, government bodies, and other organizations to use the materials, and we have even heard that at some educational institutions, including nursery schools, kindergartens, and elementary schools, children are washing their hands along to "PPAP-2020-."

● Is there anything you would like to work on in the future?

World peace is the philosophy behind PIKOTARO's activities. Having served as a Goodwill Ambassador for Promoting the SDGs since 2017, he will continue to work for the sake of a peaceful world where people around the globe can laugh just as much as everyone else. Pray for People And Peace, or PPAP!



How-to-handwash posters, which were distributed free of charge, were created in both Japanese and English

*1 <https://www.anytimewithcharacters.com/>

*2 The video can be viewed here: <https://www.youtube.com/watch?v=WKfoJv6Kx8>

*3 The video can be viewed here: <https://youtu.be/uHlj646lkyU>

*4 The coloring materials can be downloaded from the "Daisuki na Minna to Issho Project" website.

*5 Hello Kitty is also participating in the "Pause, take care before you share" campaign conducted by the United Nations as part of its COVID-19 countermeasures (<https://www.youtube.com/watch?v=yYkC943Do4>).

*6 <https://pikowash-official.com/>

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ODA Topics

Formulation of the Infrastructure System Overseas Promotion Strategy 2025

The Government of Japan, in order to achieve economic growth through infrastructure exports, formulated “the Infrastructure System Export Strategy” in 2013 and has been promoting the strategy toward the infrastructure system sales target of approximately ¥30 trillion per year by 2020.

At the 49th Ministerial Meeting on Strategy relating to Infrastructure Export and Economic Cooperation*¹ held in December 2020, the “Infrastructure System Overseas Promotion Strategy 2025” was formulated in light of changes in the international environment, including the recent intensification of international competition over infrastructure exports and the rapid progress of digitalization, as well as the impact of the spread of COVID-19. As a five-year target starting in 2021, the new strategy sets a new Key Performance Indicator (KPI) of ¥34 trillion in infrastructure system sales in 2025.

In addition to the original objective of “achieving economic growth” by improving industry competitiveness, the new strategy also sets brand-new policies: “responding to diplomatic issues such as the realization of a ‘Free and Open Indo-Pacific (FOIP)’ through the promotion of quality infrastructure overseas” and “contributing to solving social issues and achieving SDGs in partner countries.” Concerning FOIP, the strategy mentions the formulation of projects related to the establishment of quality infrastructure that will contribute to strengthening connectivity, one of its key initiatives, as well as the promotion of a model that allows Japan to think, develop, and enjoy prosperity together with partner countries and regions in the post-COVID-19 international environment. As for SDGs, the strategy clearly states that there is an urgent need to address critical global issues such as the environment and climate change, infectious diseases, and disaster prevention, and that Japan will make efforts to formulate and participate in infrastructure projects that contribute to solving these issues. With regard to climate change,



Passengers boarding a domestic ferry docked at a ferry terminal that was newly constructed with Japan's cooperation at the Port of Dili, Timor-Leste's only international port (Photo: JICA)

it is also clearly stated that Japan will promote efforts toward realizing carbon neutrality, that is to reduce greenhouse gas emissions to net-zero, by 2050, and contribute



A trial run of an electric tricycle equipped with a lithium-ion battery at the Indian Institute of Technology. ITSEV, a private company in Toyama City, conducted a formulation survey on a project to improve urban air quality by using lithium-ion batteries suitable for high-temperature climates. (Photo: JICA)

to global decarbonization.

In addition, public-private partnerships have been positioned as one of the pillars of the specific policies of the new strategy. Japan intends to enhance its efforts in infrastructure development, operation and maintenance (O&M), legal system development, human resource development, and other areas by combining various schemes of cooperation, including ODA loans, Private Sector Investment Finance, grant aid, and technical cooperation. As an impressive package that combines the advantages of public funds, including Japan's ODA, with the technological and financial capabilities of Japanese companies, this will enable Japan to make the most effective and strategic use of development cooperation that contributes to both the overseas expansion of Japanese companies and the socio-economic development of partner countries.

In order to realize the policies set forth in the new strategy while strategically utilizing public funds including ODA, Japan intends to provide developing countries with quality infrastructure that incorporates Japan's advanced technologies and know-how and promote the overseas expansion of infrastructure in a way that meets the needs of the partner countries (See “ODA Topics” on page 35 for information on efforts to realize FOIP; for SDGs, see Part II-3. “Promoting Efforts to Address Global Issues and Human Security”).

*1 Chaired by the Chief Cabinet Secretary, this meeting is held to discuss important matters concerning Japan's economic cooperation and to ensure that it is implemented strategically and effectively.

The Mekong-Japan Initiative for SDGs toward 2030

The five countries of Cambodia, Laos, Myanmar, Thailand, and Viet Nam are located along the Mekong River basin on the Indochinese Peninsula in Southeast Asia. Even among fast-growing Asian countries, these five countries have an especially high potential for economic growth and a large labor force, and their further development is greatly anticipated. The Mekong region is bordered by China to the north and the South China Sea to the east and south, and connected to India via the Indian Ocean to the west, making it a strategic point at the center of Asian transportation routes by both land and sea.

Japan has close economic and trade relations with the Mekong countries, therefore strengthening these relations with the region is very important diplomatically. In order to steadily advance Mekong-Japan cooperation, Japan has been holding the Mekong-Japan Summit Meeting every year since 2009, and so far, the meeting has been held in Tokyo every three years.

The title of this column, “The Mekong-Japan Initiative for SDGs toward 2030,” is a framework for cooperation between Japan and the Mekong countries that was adopted at the 11th Mekong-Japan Summit Meeting held in Bangkok, Thailand in November 2019. Its goal is to draw out the Mekong region’s potential in an optimal manner for the region to achieve the SDGs. The initiative supports the sustainable development of the Mekong region, and at the same time, symbolizes the “strategic partnership” between Japan and the Mekong countries.

While making use of quality infrastructure investment in accordance with international standards, the initiative will address the following three fields as areas of priority: (i) environmental and urban issues; (ii) sustainable natural resource management and utilization; and (iii) inclusive growth. Through efforts in each of the three areas, the initiative aims to contribute to: (a) reinforcing the resilience of the region and society; (b) maintaining and strengthening the region’s growth capability; and (c) ensuring that social development leads to improving the standard of life of everyone.

With regard to (i) environmental and urban issues, Japan has shared its “Osaka Blue Ocean Vision” with the Mekong countries, which was adopted at the G20 Summit in Osaka in 2019. Both Japan and the Mekong countries aim to reduce additional pollution by marine plastic litter to zero by 2050 (see also page 80, Environment and Climate Change Actions). For example, in Cambodia, Japan is working with the United Nations Development Programme (UNDP) to reduce plastic litter discharged into the ocean via the Mekong River, through the implementation of activities such as the promotion of the 4Rs (Refuse, Reduce, Reuse, and Recycle) and raising awareness of waste separation among individuals and the private sector.



Well construction in Laos



Industrial Human Resources Development Project (Photo: JICA)

Regarding (ii) sustainable natural resource management and utilization, climate change and other factors have led to changes in the water levels of the Mekong River, requiring more complex flood and drought countermeasures than ever before. Against this backdrop, Japan is strengthening its coordination with the Mekong River Commission (MRC)*, recognizing the importance of managing the water resources of the Mekong River under an open framework. In March 2020, Japan and the MRC signed an Exchange of Notes for grant aid with flood and drought management of the Mekong River basin in mind. This was to improve the capabilities of MRC personnel and enhance its facilities and functions so as to increase the accuracy of rainfall and water level observations at the Mekong River basin.

As regards to (iii) inclusive growth, Japan is engaged in education and human resources development efforts for the realization of inclusive growth under the “G20 Initiative on Human Capital Investment for Sustainable Development” and the “Industrial Human Resource Development Cooperation Initiative 2.0” (see also page 69, Quality Education for All, and page 101, Assistance for East Asia). Under these initiatives, in Thailand, Japan established its unique educational system KOSEN (College of Technology) to develop industrial human resources in the Mekong region, and is providing cooperation to realize the same level of KOSEN education as that in Japan (see page 101 and page 147 for details).

In addition, from the perspective of promoting further cooperation in these three areas, Foreign Minister Motegi announced the “KUSANONE Mekong SDGs initiative” at the Mekong-Japan Foreign Ministers’ Meeting in July 2020, noting that Japan would support the realization of the SDGs and social and economic development of the five Mekong countries that catered to local needs. Japan provided Grant Assistance for Grass-Roots Human Security Projects amounting to at least ¥1 billion to the Mekong region countries in FY2020, and it intends to continue this effort.

Furthermore, the Green Mekong Forum, which has been jointly held by the public and private sectors six times since 2011, was upgraded to the Mekong-Japan SDGs Forum, and will follow up on the medium to long-term implementation of “The Mekong-Japan Initiative for SDGs toward 2030.”

Japan will work hard to build a partnership that will mutually elevate each party, supporting the Mekong countries’ own initiatives while being mindful of the people in the Mekong countries and their societies.

*The MRC was established in 1995 under the Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin concluded by the four lower Mekong countries (Cambodia, Thailand, Viet Nam, and Laos). In addition to flood and drought control, the MRC conducts river management of the Mekong River in a wide range of fields, including fisheries resource management, dam development, and environmental issues.

Government Aid Alone Is Not Enough? Mobilization and Utilization of Non-ODA Development Finance

● ODA and Private Finance

The White Papers on Development Cooperation have been describing many Official Development Assistance (ODA) projects. However, did you know that ODA actually accounts for only approximately 15% of the total flow of funds from developed to developing countries? Global ODA flows were approximately \$190 billion in 2017. Meanwhile, private direct investment in developing countries was approximately \$540 billion and overseas remittances by individuals approximately \$430 billion, far exceeding the ODA amount*1.

According to estimates of the United Nations Conference on Trade and Development (UNCTAD), \$3.9 trillion is needed annually to achieve the Sustainable Development Goals (SDGs) by 2030, but currently an annual shortfall of \$2.5 trillion is being projected. With countries facing severe financial situations, the question is how to utilize abundant private funding for sustainable development.

● Coordination with Private Finance

Japan uses ODA to bring the most out of the private sector through such frameworks as JICA's Private Sector Investment Finance (PSIF) and SDGs Business Supporting Surveys (see pages 136 to 140 for details on Public-Private Partnership initiatives).

An example is Sunrise Japan Hospital in Cambodia. JICA provided PSIF loans when JGC Corporation, Innovation Network Corporation of Japan (now INCJ, Ltd.), and Kitahara Medical Strategies International Co., Ltd. decided on investment in a private hospital development project and on establishment and operation of the hospital. Through this assistance, a hospital that offers the latest Japanese-style medical service has been established in Cambodia. In addition, Japan not only provided medical equipment through grant aid, but also invited 60 Cambodian physicians, nurses, and other healthcare workers to Japan before the opening of the hospital, to equip them with medical skills and know-how through technical cooperation. Such assistance combining several schemes is unique to Japanese development cooperation. As a result of these efforts,

Sunrise Japan Hospital was able to realize reliable Japanese-style healthcare services with medical staff providing medical care with consideration for the feelings of patients and their families in Cambodia, where quality medical services were called for.

In addition to the realization of business expansion of Japanese companies, another major achievement is that the hospital established by this project has become a valuable place where young Japanese physicians who want to hone their skills overseas can gain experience. The hospital initially had approximately 1,300 outpatients per month when it opened in 2016 but it has tripled to approximately 4,500 by 2018, making a significant contribution to improving the health of the Cambodian people. Japan's assistance in this project has generated a win-win effect for all parties involved.

Furthermore, under the SDGs Business Supporting Surveys, JICA helps match the outstanding products and technologies of private companies with the development needs of developing countries based on proposals from the companies, and provides support to establish businesses that contribute to solving problems in developing countries.

For example, SuRaLa Net Co., Ltd. conducted a preparatory survey in Sri Lanka on e-learning materials that use animation to teach math in a game-like manner, taking advantage of the Preparatory Survey on BOP Business (now the SDGs Business Verification Survey with the Private Sector). As an outcome of this survey, an e-learning system was introduced in Sri Lanka, while women from impoverished areas were trained as "facilitators" to give guidance to children. This project contributes to the improvement of the academic ability of local students and employment creation for women.

In response to the prolonged closure of schools in Sri Lanka due to the spread of COVID-19, SuRaLa Net also began providing online e-learning for free soon after the schools were closed. From March to August 2020, the company provided math learning support that can be accessed at home for approximately 660 children. Such support makes use of the innovation, knowledge, experience, and speediness of the private sector and cannot be



Japanese and Cambodian staff providing medical care at Sunrise Japan Hospital (Photo: Sunrise Japan Hospital)



achieved by the government alone.

● International Discourse on Mobilization of Private Finance and Japan's Efforts

The need to mobilize private finance for the development of developing countries to achieve the SDGs has gained growing recognition in the international community. For example, in 2017, the OECD Development Assistance Committee (DAC) announced the Blended Finance (BF)^{*2} Principles and is encouraging the active mobilization of private finance.

Japan, as the 2019 presidency of the G20 Summit in Osaka, confirmed the important role of innovative financing mechanisms, including BF, in upscaling collective efforts with G20 countries in the leaders' declaration. In the same year, Japan also organized the Meeting of the Leading Group on Innovative Financing for Development and led the discussion on this topic. Additionally, an advisory panel to consider new funding mechanisms for SDGs was established for discussing innovative financing methods and areas in which resources should be used to secure financial resources necessary to achieve the SDGs. In July 2020, the advisory panel submitted to Foreign Minister Motegi a report (summary of final discussion) containing recommendations for promoting the mobilization of private finance, such as impact investment and BF.

● New International Statistical System

The importance of mobilizing additional financial resources for developing countries is indisputable. On the other hand, there is not necessarily a framework for tracking the overall flows of development finance beyond traditional ODA globally. In response to this need, a new statistical system is currently under consideration, led by the OECD-DAC, called the Total Official Support for Sustainable Development (TOSSD).

This system, under a full-fledged discussion since the DAC High Level Meeting in 2014, aims to track a wide range of official financial flows that contribute to sustainable development. If TOSSD comes into fruition, it will enable the monitoring of development finance from non-DAC members that are new actors in development cooperation, such as China, India, Russia, Brazil, Turkey, Saudi Arabia, and the UAE. It will also capture financial resources that do not necessarily have development as their main objective and even private finance mobilized by the involvement of official funds, as long as they contribute to sustainable development.

TOSSD is a grand attempt to broadly capture and make visible the flow of development resources from all donors to developing countries. Japan has many development financial resources that cannot be measured by traditional ODA, and this system will allow Japan to further demonstrate its contribution to sustainable development to the international community.

Since 2017, the International TOSSD Task Force, which includes emerging donors and developing countries, has been addressing technical matters, including the scope of resources to be monitored and calculation methodologies. Japan will continue to actively participate in these processes. While the reporting of TOSSD data has only recently begun, it is hoped that reporting of TOSSD becomes more widespread among non-DAC donors in the future.

With the globalization of the economy, flows of private resources to developing countries now far exceed the total amount of ODA. In this context, ODA must serve as "a catalyst for mobilizing a wide range of resources, including the private sector" (Development Cooperation Charter). Japan will continue to actively contribute to the creation of international rules for broader and more efficient mobilization of sustainable development funds, including non-ODA official funds and even private resources.



Children learning math using the e-learning system of SuRaLa Net (Photo: SuRaLa Net)



Award ceremony for women facilitators and children who studied through the e-learning system (Top left: SuRaLa Net employee who attended the award ceremony) (Photo: SuRaLa Net)

*1 OECD Resource flows beyond ODA in DAC statistics (<http://www.oecd.org/development/beyond-oda.htm>)

*2 Blended finance (BF), according to the OECD definition, is a new way of strategically using finance for development purposes and mobilizing for-profit commercial finance for sustainable development. The BF Principles are: (i) anchor BF use to a development rationale; (ii) design BF to increase the mobilization of commercial finance; (iii) tailor BF to local context; (iv) focus on effective partnering for BF; and (v) monitor BF for transparency and results.

Revitalizing Japan through Development Cooperation

Japan's development cooperation is supported by a diverse range of actors, including companies, local governments, universities, and the civil society. The involvement of these actors is essential for the effective implementation of Japan's development cooperation. However, did you know that their involvement also contributes to the revitalization and internationalization of Japanese society?

One of the cases in which such effects are seen is the regional revitalization in Japan through interactions with overseas talent. Although there is a temporary decrease due to the COVID-19 pandemic, the number of foreigners visiting Japan has been increasing in recent years. There were 2.93 million foreign nationals residing in Japan as of the end of 2019 and 1.66 million foreigners working in Japan as of the end of October 2019, both of which were record highs. For the purpose of leveraging this increase in overseas human resources for revitalization of Japanese regional communities, it has become important to create an enabling environment for hosting overseas talent smoothly and appropriately and realize a symbiotic society.

In 2019, the "Xieng Khouang-Kagawa Prefecture-JICA Cooperation Program for Sustainable Agricultural Development" was launched under the collaboration of JICA, the Ministry of Agriculture and Forestry of Laos, and the Kagawa Prefecture Farmers' Co-op. Through this program, JICA, in collaboration with relevant people of Kagawa Prefecture, provides technical cooperation in Xieng Khouang Province in Laos aiming at increasing production of agricultural products to improve the livelihood of farmers and promote agricultural development in Xieng Khouang Province. In addition, Kagawa Prefecture, a participant in this program, is expected to benefit from smoother hosting of talented

technical intern trainees from Laos, promotion of business expansion in Laos, and deepening of cross-cultural understanding via interacting with foreign talent (see "Master Techniques from Japan to the World" on page 88 for details).

In Miyazaki City, the Bangladesh-Japan ICT Engineers' Training Program (B-JET) has been established with the collaboration of JICA, Miyazaki City, University of Miyazaki, and local IT companies. The program is designed to support the development of ICT professionals who underpin growth in Bangladesh. ICT professionals from Bangladesh such as graduates of Bangladesh universities of engineering come to Japan after learning the Japanese language and business manners and then intern at IT companies in Miyazaki City while continuing their Japanese language studies at University of Miyazaki. Some of the ICT professionals trained by this initiative found employment in Miyazaki City, which in turn contributes to the internationalization of the city and the revitalization of its ICT industry.

Similar impacts are also witnessed at universities. The JICA Development Studies Program (JICA-DSP) was launched in 2018 to provide international students coming to Japan on ODA programs with an opportunity to systematically learn about Japan's experiences with its own modernization and development and experiences as a donor, and to train the students into future leaders of developing countries. Some of the programs offered at JICA-DSP are not only for international students funded by ODA but are also open to other international and Japanese students. It is expected that having talented people come to Japan from developing countries and learn with other students in English about the Japanese experience will contribute to making Japanese university education as a whole more dynamic and international.



Bangladeshi students participating in B-JET in Japan after training in Bangladesh for internships in Miyazaki



International students participating in "Understanding the Japanese Development Experience" as part of JICA-DSP (Photo: Nagaoka City Museum of Local History)

Japan's Efforts toward Achieving the Sustainable Development Goals (SDGs)

—4th Japan SDGs Award—

The Government of Japan has been presenting the “Japan SDGs Award” since 2017 to acknowledge companies and organizations for excellent initiatives that contribute to the achievement of the Sustainable Development Goals (SDGs), from the perspective of making SDGs-related initiatives across Japan more visible and promoting those actions.

At the 4th Japan SDGs Award ceremony held in December 2020, Minna-Denryoku, Inc., a company making efforts to promote partnerships between regions through renewable energy under the concept of “traceable electric power™”, received the SDGs Promotion Headquarters Chair's (Prime Minister's) Award. Also awarded were efforts to achieve the SDGs in Japan and overseas by a broad range of organizations and groups. These included an agricultural high school striving to develop environmental and agricultural technologies to solve challenges in developing countries, and an NPO helping people with disabilities and former child soldiers become self-reliant.

○ Examples of Efforts by Award Recipients

· Minna-Denryoku, Inc. (The SDGs Promotion Headquarters Chair's (Prime Minister's) Award)

Minna-Denryoku, Inc. launched a renewable energy retail business in 2016 under the concept of “traceable electric power™.” The company realized the commercialization of an electric power traceability system that uses blockchain^{*1} for the first time in the world, allowing electric power consumers to know how much electric power they purchased and from which power plant.

In 2019, the company started the Yoko-Yoko Project, which links electricity users in Yokohama City, Kanagawa Prefecture with power generators in Yokohama Town, Aomori Prefecture, in the northern part of Japan. Using the traceability system, electricity produced in Yokohama Town is supplied to companies and other entities in Yokohama City. This project aims to promote decarbonization in the city and revitalize the regional economy, creating a circulating and ecological economy^{*2} through electricity between Yokohama City, which is an energy-consuming area and aims to become carbon neutral, and Yokohama Town, which produces an abundant amount of renewable energy.



Commemorative photo with Minna-Denryoku, Inc. (winner of the SDGs Promotion Headquarters Chair's (Prime Minister's) Award) at the 4th Japan SDGs Award ceremony (December 2020) (Photo: Cabinet Public Affairs Office of the Government of Japan)

· NPO Support for Woman's Happiness (The SDGs Promotion Headquarters Deputy Chair's (Foreign Minister's) Award)

In Laos, Support for Woman's Happiness partnered with a Laotian organization for people with disabilities to establish a facility where women with physical disabilities and women from ethnic minority groups can live and work together. The NPO supports the self-reliance of people with disabilities in both Japan and Laos by providing vocational training in using sewing machines and embroidery techniques in a facility established in Laos and by supporting them in making quality products in collaboration with people with disabilities in Japan.

In addition, people with disabilities in Laos, people with mental disabilities in Japan, Japanese designers, and others are working together to commercialize a traditional Laotian tea called butterfly pea flower tea in Japan and produce souvenir products. By sharing work among workshops in each country, the NPO has developed a system where people with disabilities can support each other across countries. As a result, products combining traditional Laotian and Japanese textiles have received positive reviews and are exhibited and sold not only in Laos but also at department stores and other venues in Japan.

As women have traditionally been the primary workforce in cloth making, which is the basis of the NPO's activities, women with disabilities can earn the same income as men.



Workshop for people with disabilities in Laos (Photo: Support for Woman's Happiness)

*1 Blockchain is distributed ledger (database) technology that enables the exchange of important data requiring a high level of reliability over open networks, such as the Internet. Using this technology can prevent forgery and falsification without the intervention of costly third-party organizations (intermediaries).

*2 A circulating and ecological economy is a concept that aims to maximize regional vitality by creating self-reliant and decentralized societies where regions maximize their regional resources, such as beautiful natural scenery, and by complementing and supporting each other's resources according to regional characteristics.