

Revision of Development Cooperation Charter (Direction of Revision)

The government of Japan will revise the "Development Cooperation Charter", which articulates the basic policy of Japan's development cooperation, based on changes in the situation since its formulation in 2015. The revision aims to update Japan's development cooperation so that it will be implemented in a more effective and strategic manner.

1. Changes in the situation since the formulation of the current Charter in 2015

- Since 2015, efforts through international cooperation to tackle with global issues, including entry into force of the Paris Agreement and adoption of the **Sustainable Development Goals (SDGs)**, have been progressing.
- On the other hand, negative aspects of the globalization have surfaced and **attempts running counter to globalization** have been seen in parts of the world. As the international community enters a period of highly complex competition among countries, the international order based on universal values is being severely challenged, for example, by Russia's unjustifiable and illegal aggression of Ukraine. Realizing **the concept of a Free and Open Indo-Pacific (FOIP) is of growing urgency**. Outbreak of the Covid-19 has seriously impacted the global economy and international society. Furthermore, disruption of the global supply chain due to the abrupt changes in the international surroundings and cybersecurity issues with rapid development of digitalization accelerated by the Covid-19 outbreak have shown that the **economy and security are now directly linked to impact each country**.
- As the world is exposed to such uncertainty, **developing countries find it even harder to chart a path to stable development**. Poverty reduction slides back, while issues in areas like health including communicable diseases, climate change, environment have grown more serious. Also, there are more and more refugees and displaced people in the world, energy crises and food crises have worsened humanitarian situations, responses in accordance with the concept of human security are in urgent need.
- At the same time, efforts by the private sector and civil society have become more popular and **the roles in the development cooperation that the public and private sectors play are changing**.

2. Need of revision and a new direction

As the international situations have seen a great shift, in order for Japan to continuously respond to trust and expectations from the world while upholding the universal values including freedom, democracy, human rights and the rule of law, which in turn contributes to ensuring Japan's national interests such as peace and prosperity, **further enhancement of its diplomatic power is indispensable**. To that end, **further utilization of ODA, an important diplomatic tool, is necessary**.

Against such background, the government will review the Development Cooperation Charter to **make clear the roles of today's ODA** and to **lay out a new direction of development cooperation**, such as:

(1) Countering the challenges against the international order

⇒ **Rebuilding universal values as the bedrock of peace and contributing to a new international order in the next era**

- Enhancing cooperation to **safeguard the international order based on universal values** and to **further promote the concept of FOIP** *i.e.* enhanced connectivity, maritime security, rule of law

(2) Responding to economic and social vulnerability caused by the Covid-19

⇒ **Fostering an international environment where the world and Japan can together prosper**

- **Promoting development cooperation contributing to Japan's economic security**

i.e. enhanced autonomy of each country, industrial diversification, international standard making, stable supply of important mineral resources

- **Promoting Japanese businesses' overseas expansion**

i.e. Business model formulation survey, up-stream support including developing master plans

(3) Addressing growing complexity and severity of global issues ⇒ **advancing human security of new era**

- **Leading international efforts in tackling global issues** such as, inter alia, poverty reduction, health, climate change (adaptation and mitigation), environment (*i.e.* biodiversity and marine plastic litter), humanitarian assistance (refugees and displaced people), fragile countries and segments

3. Issues to be considered for revision and implementation

(1) Further enhancement of strategic use of ODA

- Strategic coordination with like-minded countries, other donor countries and international organizations
- How to lead in the efforts of development and implementation of international rules including development finance for improved quality and effect of development cooperation
- Enhancing international leadership through efforts on global issues with Japan's distinctive edge

(2) Coordination with the private sector, civil society including NGOs, academia and research institutions and acceleration of support

- Enhancing ODA's catalytic function and public-private partnership responding to changing times
- Acceleration of project formulation and development cooperation meeting private sector needs

(3) More flexible and efficient assistance

- Effective combination of aid schemes (grant, loan, technical cooperation) responding to changes in international situations, More effective humanitarian assistance
- Enhancing efficiency through streamlining operations and appropriate expenditure monitoring

(4) Assistance building on trust in Japan and Japan's distinctive edge with Japan's visibility

- Enhancing quality and speed of ODA including through proactively offering a wide range of assistance menu
- Further promoting detailed and long-lasting human resources development

(5) Outcome of development cooperation and financial and human resources for ODA implementation

(6) Principles for implementation

Maintaining basic elements in the current Charter and considering how to improve and enhance them

4. Process and schedule

- **Advisory panel on the revision of Development Cooperation Charter** will be established under the Minister for Foreign Affairs.

<Members of the Advisory Panel>

Chairperson

Mr. NAKANISHI Hiroshi Professor at Graduate School of Law, Kyoto University [international politics]

Academia (2 persons)

Dr. JINBO Ken Professor at Faculty of Policy Management, Keio University [international politics]

Mr. MINE Yoichi Professor at Graduate School of Global Studies, Doshisha University [human security]

Businesses (3 persons)

Mr. YASUNAGA Tatsuo Chairperson of Committee on Overseas Development Cooperation, Keidanren (Japan Business Federation)

Representative Director, Chair of the Board of Directors, Mitsui & Co., Ltd.

Dr. YOSHITAKA Mari Fellow at Mitsubishi UFJ Research & Consulting [ESG investment, Climate Finance]

Ms. HARA Yukari Founder and CEO, SKYAH Co., Ltd.

Founder & Co-Executive Director, MY DREAM. org (an NGO incorporated in Ghana)

NGO (1 person)

Mr. INABA Masaki Representative NGO member for the revision of Development Cooperation Charter, NGO-Ministry of Foreign Affairs Regular Consultation Meetings

International Organization (1 person)

Ms. YUGE Akiko Professor at Department of Global Politics, Faculty of Law, Hosei University
Former Special Advisor to the Administrator of United Nations Development Programme (UNDP) in Tokyo

- The government will offer opportunities to **hear from a wide range of stakeholders** including through dialogue with the businesses and civil societies
- The government will **develop a new Charter in the first half of next year.**

Your views are most welcome for a better Charter!!

