

Development Cooperation Charter and Japan's Development Cooperation

Japan's development cooperation is founded on the Development Cooperation Charter¹ (revised by Cabinet decision on June 9, 2023). The Charter defines the objectives of Japan's development cooperation as follows: to work together with developing countries to address their development challenges and global issues common to all humankind through equal partnerships and contribute proactively to the creation of a peaceful, stable, and prosperous international community under a free and open international order based on the rule of law; and to contribute to the pursuit of Japan's national interests, such as the maintenance of peace and security for the country and its people and the achievement of further prosperity through economic growth, while developing a favorable international environment for Japan and the world, as well as preserving and strengthening foreign relations based on trust. The Official Development Assistance (ODA) is expected to serve ever more strategically and effectively as one of the most important foreign policy tools (see Part I, Section 1 on page 2 for the revision of the Development Cooperation Charter).

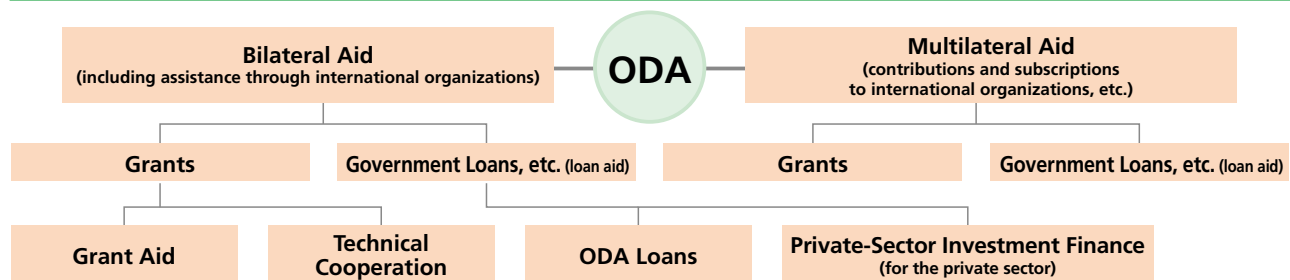
1. Basic policies of the Development Cooperation Charter

To achieve these objectives, the Development Cooperation Charter sets out the following four basic policies in development cooperation: "contribution to peace and prosperity," "human security in the new era," "co-creation of social values through dialogue and collaboration with developing countries," and "leadership in the dissemination and implementation of international rules and guidelines based on inclusiveness, transparency, and fairness."

2. Priority issues of the Development Cooperation Charter

In line with these basic policies, Japan pursues the following three policy priorities: "'quality growth' in the new era and poverty eradication through such growth," "the realization of a peaceful, secure, and stable society, and the maintenance and development of a free and open international order based on the rule of law," and "leadership in international efforts to tackle increasingly complex and aggravated global issues."

Japan's ODA



● What is ODA?

Development cooperation refers to "international cooperation activities that are conducted by the government and its affiliated agencies for the main purpose of development in developing regions" (the Development Cooperation Charter), and ODA is the public funding for those activities. The government or its implementing agencies provide financial and technical assistance to developing regions, international organizations, or the private sector through ODA for "development," including peacebuilding, governance, promotion of basic human rights, and humanitarian assistance.

The ODA recipients are presented in the list (see Chart II-10 on page 22) compiled by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD).

● What types of ODA exist?

ODA can be categorized into **grants** and **government loans, etc. (loan aid)**. ODA can also be grouped into **bilateral aid**, which directly assists developing regions, and **multilateral aid**, which concerns contributions and investments to international organizations, etc.

Grants in **bilateral aid** are assistance provided to developing regions without repayment obligation. The grant scheme implemented by Japan is comprised of **grant aid**, which gives financial resources needed for the socio-economic development of developing regions without repayment obligation, and **technical cooperation**, which develops human resources that will be responsible for the socio-economic development of developing regions through the transfer of Japanese expertise, technology, and experience. Among contributions and investments to international organizations, contributions earmarked for specific countries and projects are accounted for as bilateral aid in statistics (see Chart II-1 on page 13).

Additionally, Japan's **government loans, etc. (loan aid)** in bilateral aid include **ODA loans** that lend the funds needed by developing regions on concessional terms, such as low interest rates and long repayment periods, and **private-sector investment finance**, which offers loans and investment to corporations and other private entities responsible for implementing projects in developing regions.

Multilateral aid includes contributions and investments to the UN organizations, such as the United Nations Development Programme (UNDP) and the United Nations Children's Fund (UNICEF), international organizations, as well as multilateral financial institutions including the World Bank. Most of the contributions are provided as grants, but in recent years, **government loans, etc. (loan aid)** have also been used for multilateral financial institutions.

Various kinds of information about ODA are available on the Ministry of Foreign Affairs website.²

¹ Development Cooperation Charter <https://www.mofa.go.jp/files/100514705.pdf>. It can also be accessed via the 2D code on page vii.

² Various information on ODA <https://www.mofa.go.jp/policy/oda/index.html>. It can also be accessed via the 2D code on page vii.

The Development Cooperation Charter is available here:

<https://www.mofa.go.jp/files/100514705.pdf>



The White Paper on Development Cooperation 2023 and past White Papers are available on the Ministry of Foreign Affairs website.

https://www.mofa.go.jp/policy/oda/page_000017.html



Information on ODA is available here:

<https://www.mofa.go.jp/policy/oda/index.html>



ODA-related statistics and an overview of economic cooperation in other countries (development cooperation reference materials) are available here (in Japanese only):

<https://www.mofa.go.jp/mofaj/gaiko/oda/shiryo/hakusyo.html#section4>



Information by ODA recipient country (Japan's ODA Data by Country) is available here:

<https://www.mofa.go.jp/policy/oda/data/index.html>



Details on the ODA email newsletter are available here (in Japanese only):

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



[Cover Photograph]



An expert providing technical cooperation and a local staff under the "Belau Eco Glass Studio (Glass studio recycles used glass bottles) business development track Project," a JICA Partnership Program (JPP) in Palau (Photo: JICA)

[Back Cover Photograph]



Children smiling and holding the teaching-learning materials created as part of the "Advancing Quality Alternative Learning Project" in Pakistan (Photo: JICA)



See MOFA's website (https://www.mofa.go.jp/mofaj/gaiko/oda/press/event/page22_001008.html) for details on ODA-Man (in Japanese only).



In principle, this White Paper describes Japan's development cooperation implemented from January 1 through December 31, 2023. However, some matters that occurred through February 2024 are also included. Please note that all titles of individuals in the text are current as of the time of writing.