

Evaluation of Japan's Aid for Trade



Tatsufumi Yamagata

Institute of Developing Economies,
Japan External Trade Organization (JETRO)

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1. Japan's Evaluation of ODA

i. Ministry of Foreign Affairs (MOFA)

- Third party evaluations.
- 8 evaluation projects per year (4 country studies and 4 issue studies).
 - FY2012: Nepal, Cuba, Palestine, Malawi; gender, emergency relief, triangular cooperation, health in Cambodia.
- It follows DAC's Principles for Evaluation of Development Assistance.
- Constructive recommendations are expected rather than strict tests of impacts of ODA.

1. Japan's Evaluation of ODA (con'd)

ii. Japan International Cooperation Agency (JICA)

a. Project evaluation.

- In-house / third party evaluation
- Almost all projects are examined.

b. Research oriented evaluation.

- Statistical tests are applied (e.g. randomized experiment; control and treatment samples are collected.)
- Only a few projects are studied.

2. “Evaluation of Japan’s Aid for Trade” in 2011

- i. **Resources:** 2 scholars and 4 consultants for a half year
- ii. **Contents:** Overall review and a comparative study between Vietnam and Laos.
- iii. **Results:**
 - a. **Relevance of policies:** The concept of AfT is consistent with higher level policies such as Japan’s ODA Charter.
 - b. **Effectiveness of results:** No strong evidence was found against positive impacts.
 - c. **Appropriateness of processes:** AfT has not been known by the Japanese public.

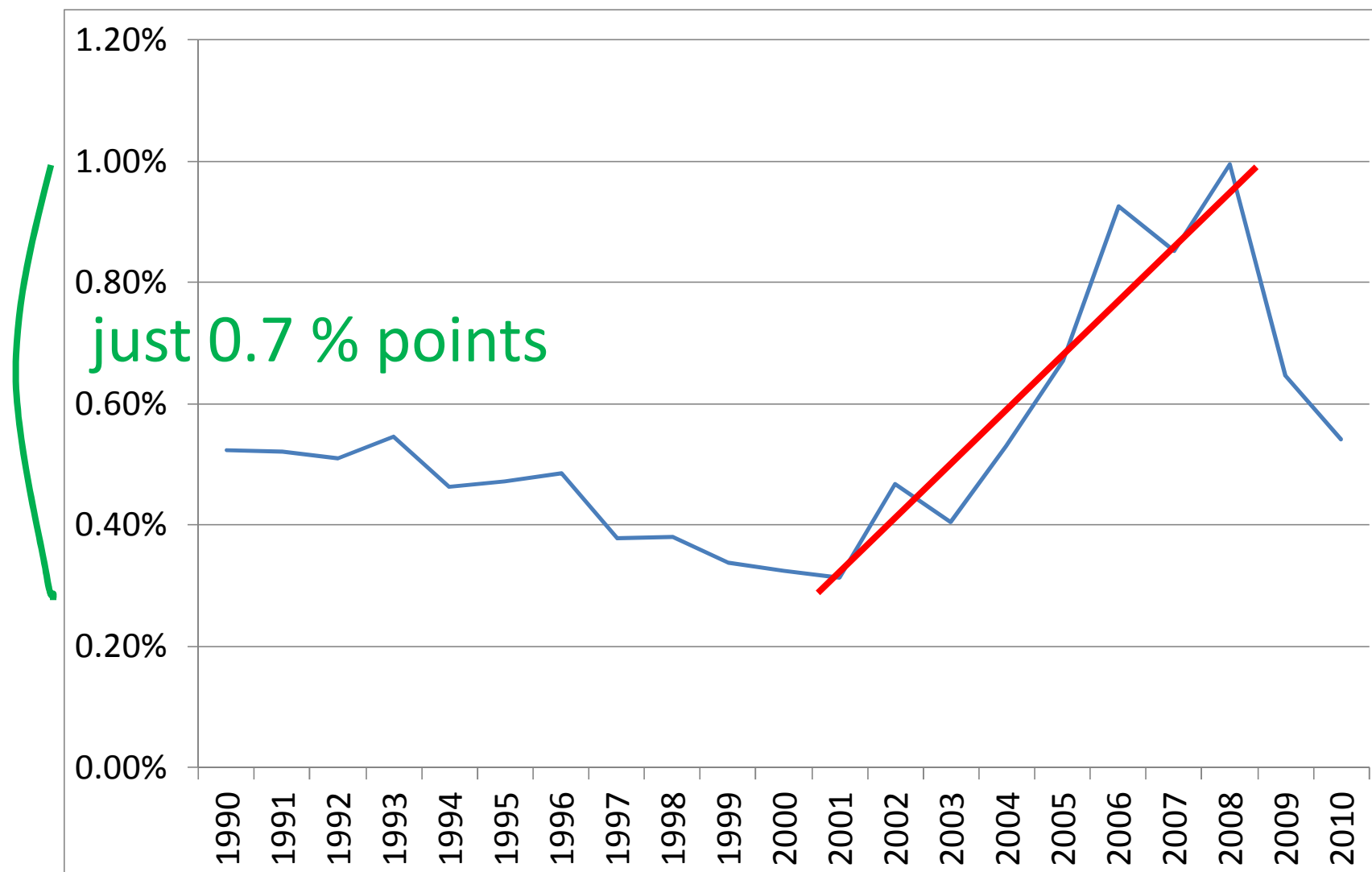
2. “Evaluation of Japan’s Aid for Trade” in 2011 Recommendations

- i. To appeal more the results of Japan’s AfT in LDCs.
 - AfT in East Asian LDCs looks effective to export their products back to Japan.
 - A flip side is “publicizing AfT is not well done.”
- ii. Aid coordination with emerging donors such as Korea and China
- iii. To promote regional development by timely reconsideration of old roadmaps
 - e.g. no “corridor” was supposed to pass Vientiane, which is a key location linking Thailand and Lao PDR.

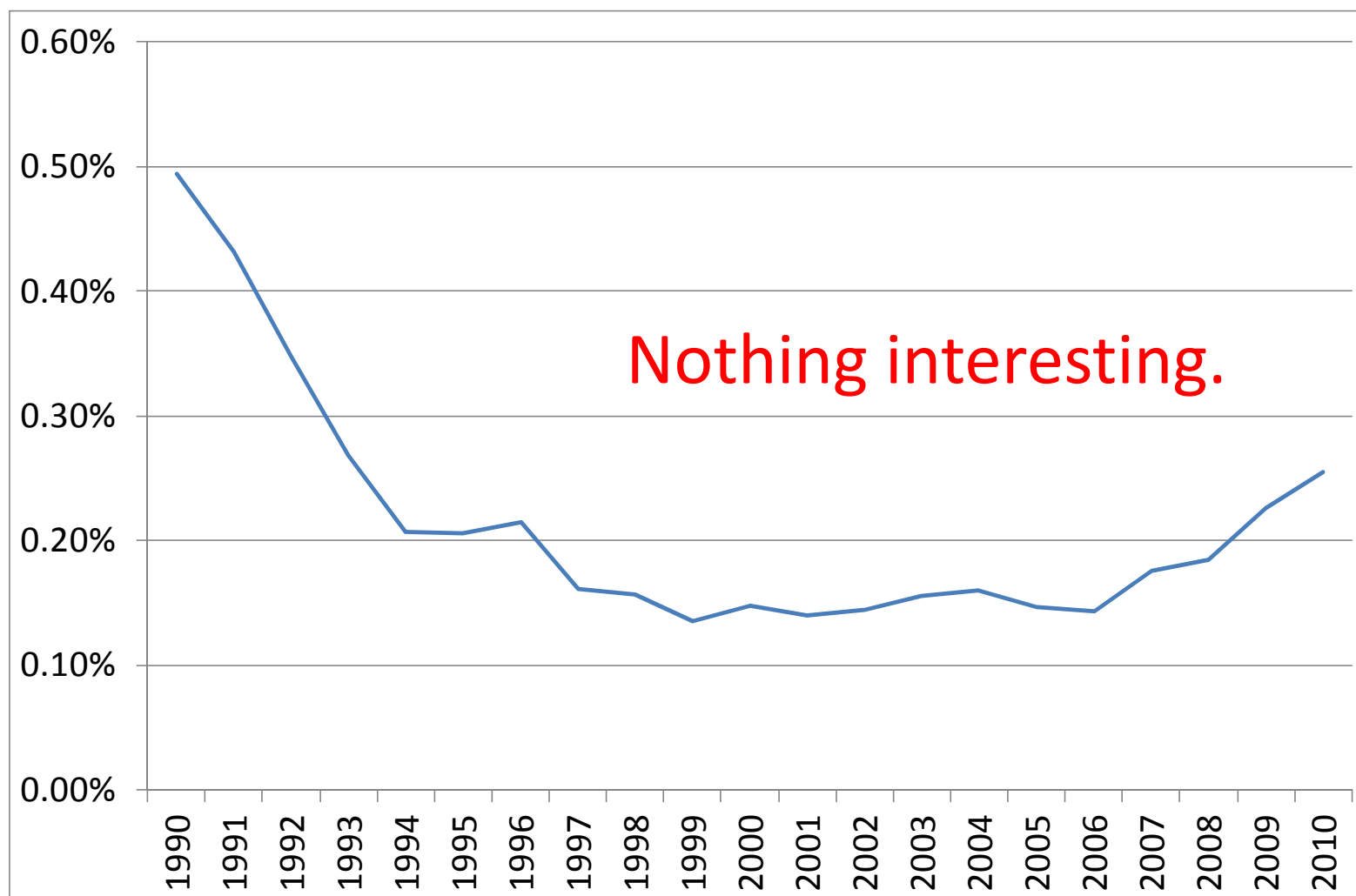
3. Further Challenge to Evaluate AfT

- Indicators to evaluate AfT
 - Import performance of donors of AfT from countries which the donor provides AfT
 1. Growth rate of total import of a donor country
 2. Ratio of manufactured goods in total import of a donor country

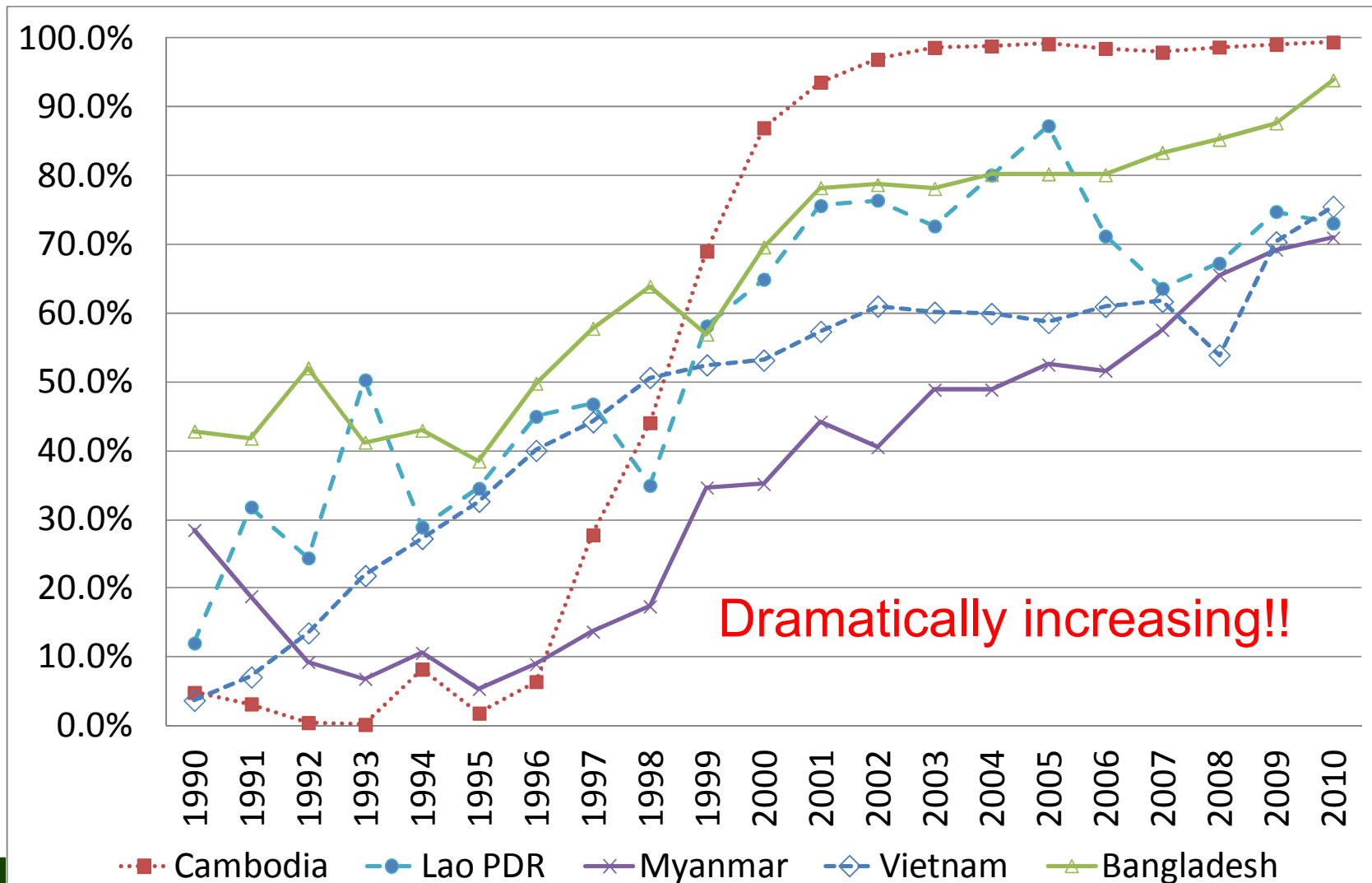
Ratio of imports from LDCs to total imports of Japan



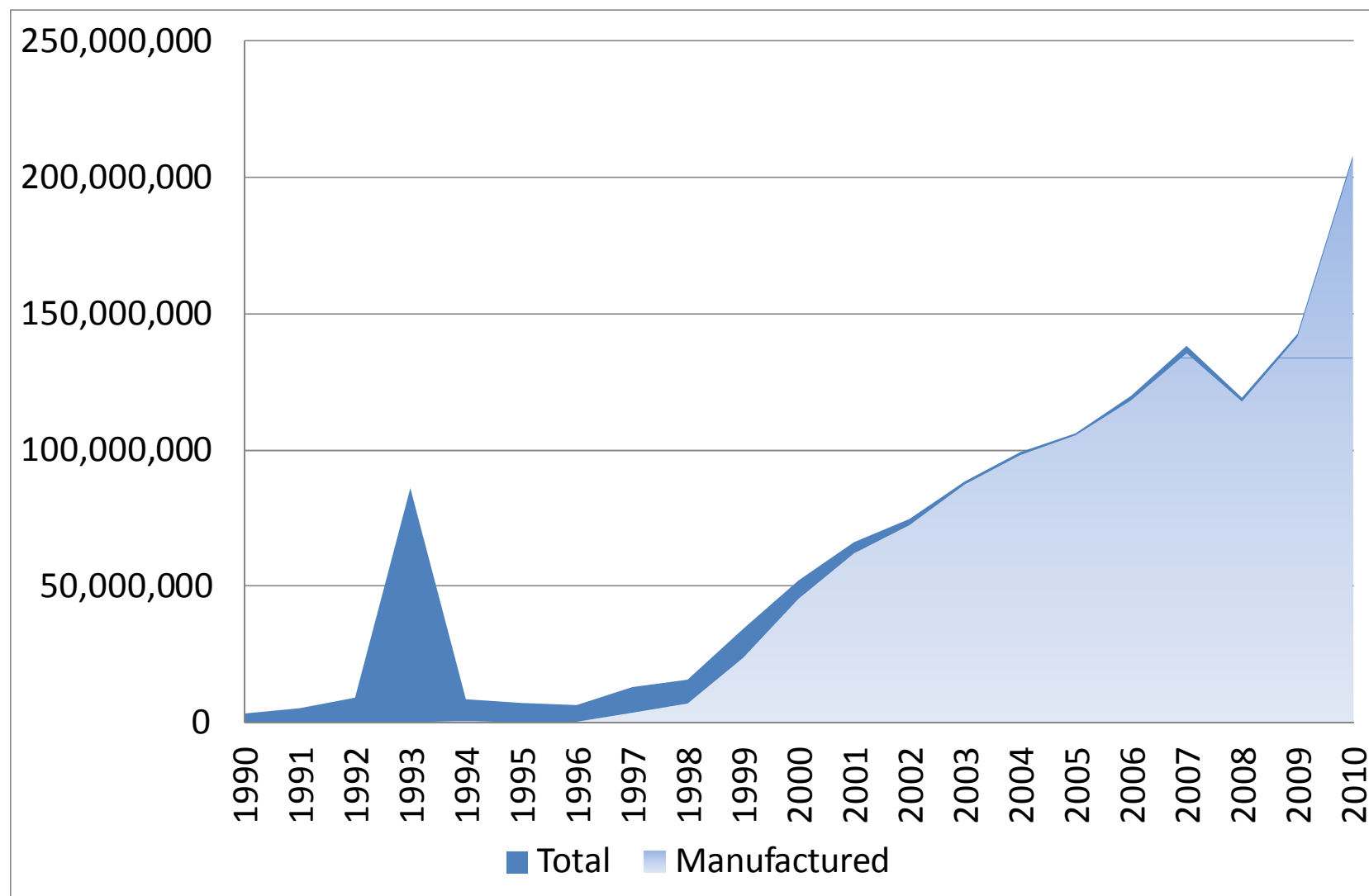
Ratio of imports from LDCs to manufactured imports of Japan



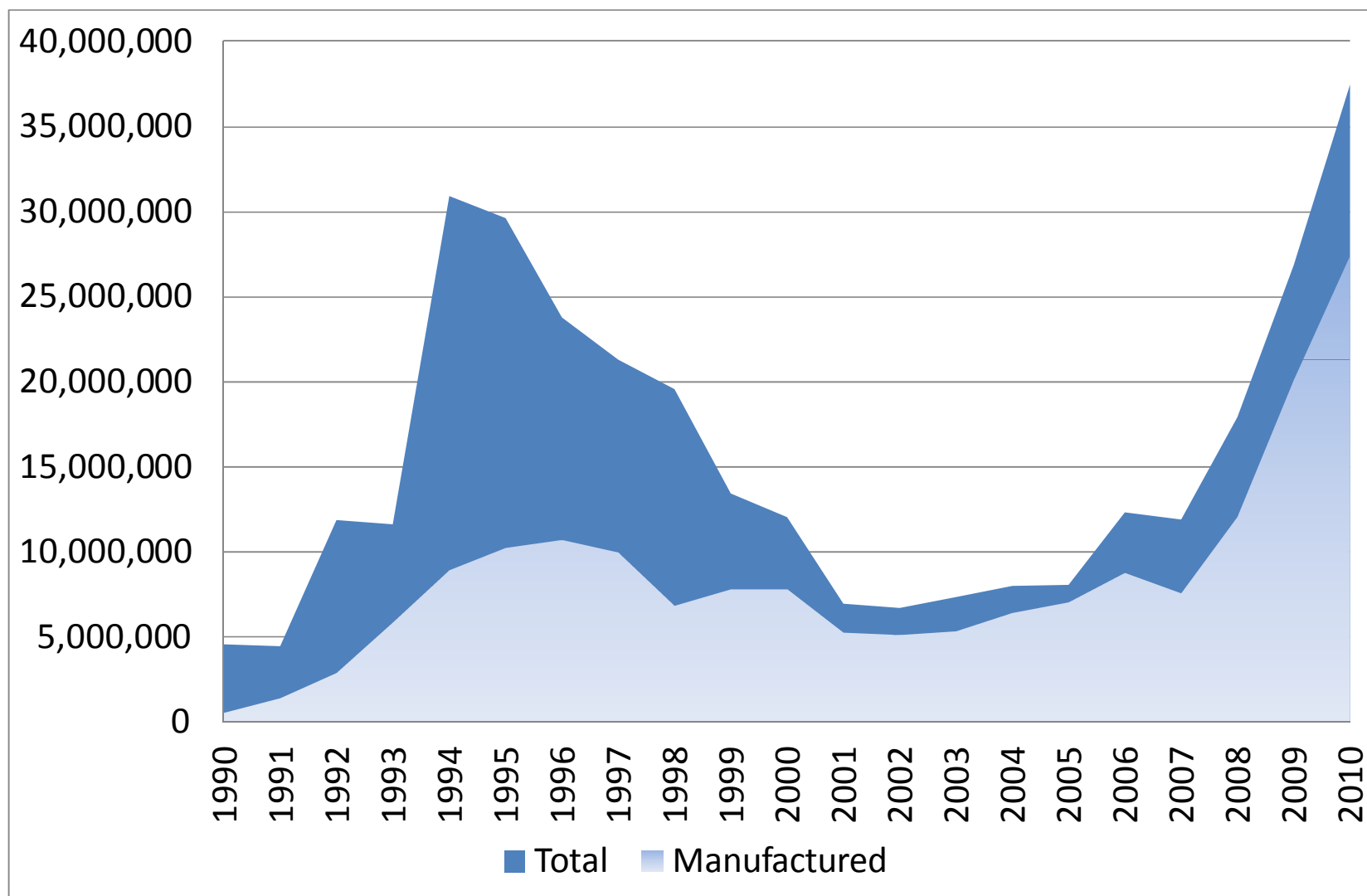
Ratio of manufactured imports to total imports of Japan from Asian low income countries



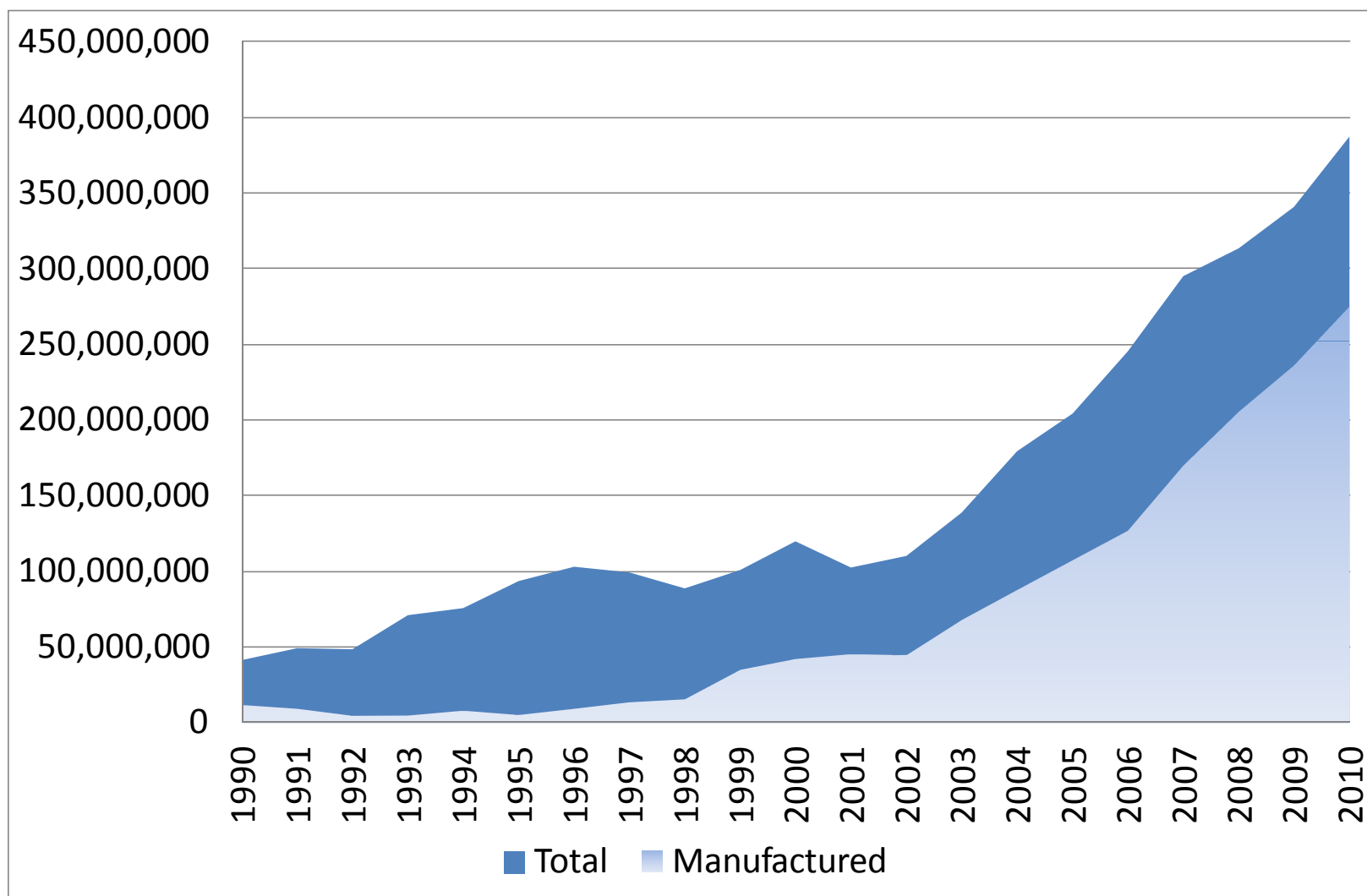
Trends in imports of Japan from Cambodia (Unit: \$)



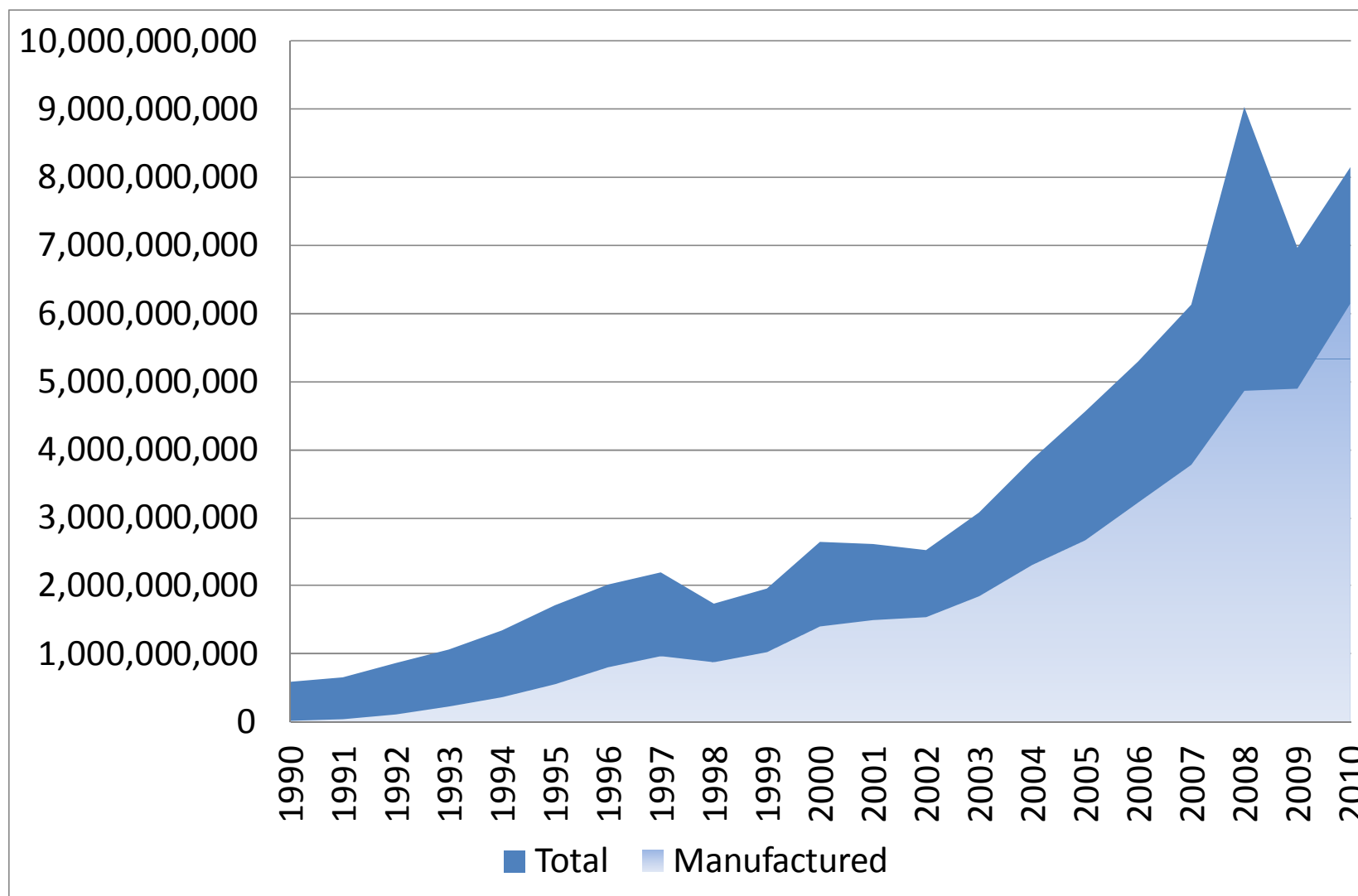
Trends in imports of Japan from Lao PDR (Unit: \$)



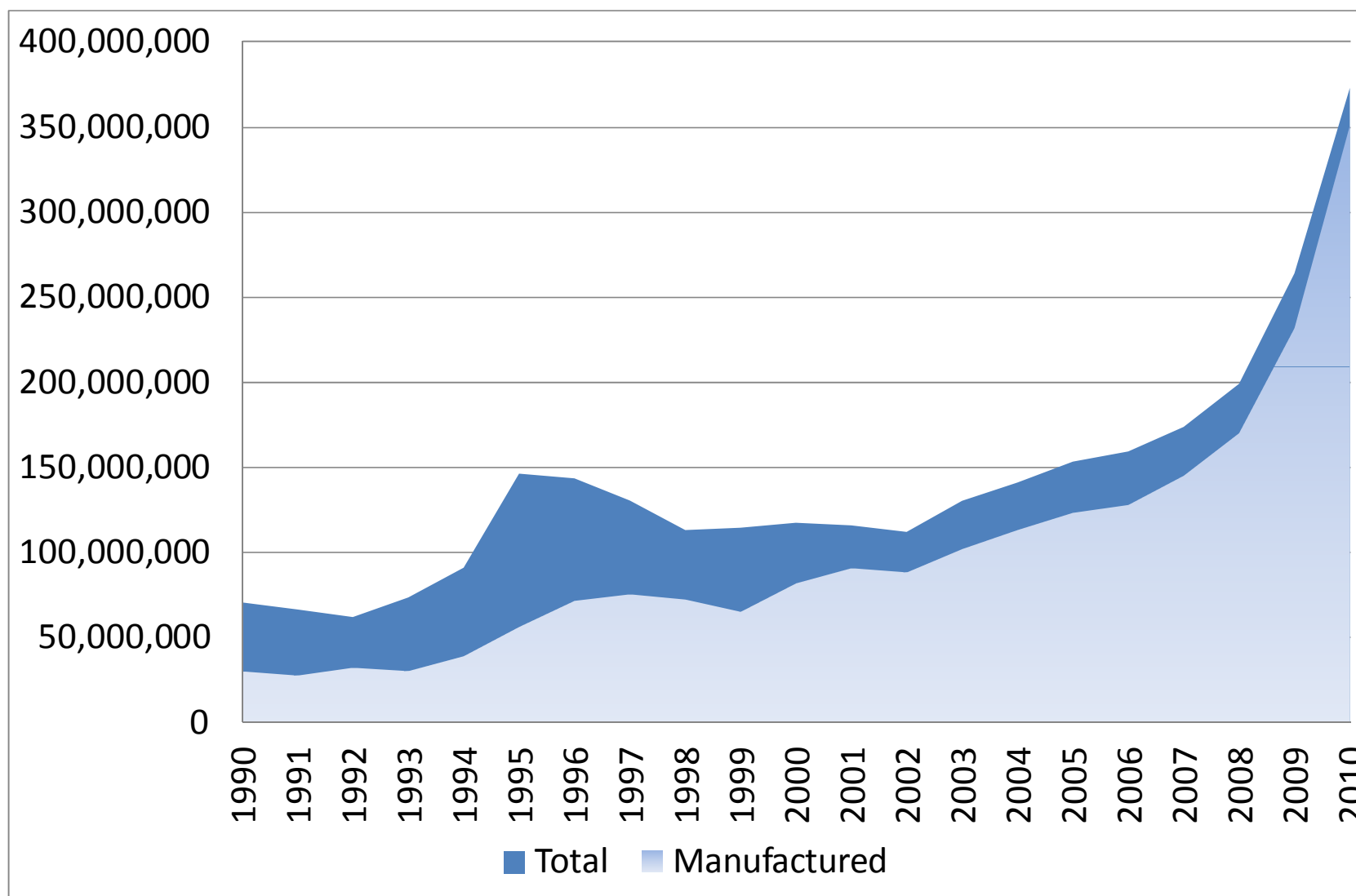
Trends in imports of Japan from Myanmar (Unit: \$)



Trends in imports of Japan from Vietnam (Unit: \$)



Trends in imports of Japan from Bangladesh (Unit: \$)



4. Concluding Remarks

- Japan's evaluation of AfT is conducted occasionally as an issue study by MOFA.
 - Feature: Recommendation (based on evidence) is requested rather than statistical test of its impacts.
- New indicators to evaluate AfT were sought in the process of the evaluation exercise.
 - A potential indicator is how much Japan (a donor country of AfT) imports from a recipient country.
 - As long as neighboring low income recipients are concerned, Japan's import increases in these years.