

Third Party Evaluation 2008  
The Ministry of Foreign Affairs of Japan

# Country Assistance Evaluation of Pacific Island Countries -Summary-

March 2009

## **Preface**

This report is a summary of the “Country Assistance Evaluation of Pacific Island Countries” undertaken by the External Advisory Meeting on ODA Evaluation requested by the International Cooperation Bureau of the Ministry of Foreign Affairs of Japan (MOFA).

Since its commencement in 1954, Japan’s Official Development Assistance (ODA) has contributed to the stability and development of developing countries, and solutions of international issues which vary with the times, as well as to the security and prosperity of Japan. Recently, there have been increased domestic and international calls for more effective and efficient implementation of ODA. The MOFA, as a coordinating ministry for ODA, has been conducting ODA evaluation mainly at the policy level with two main objectives: to support implementation and management of ODA; and to ensure its accountability.

This study is aimed at evaluating Japan’s ODA policies for Pacific island countries in terms of objective, outcomes and implementation process, taking the Republic of the Fiji Islands, Solomon Islands (subject of evaluation) and the atoll countries, which include the Republic of Kiribati, the Republic of the Marshall Islands and Tuvalu (subject of literature analysis), as case study countries. It is also aimed at learning lessons and making recommendations for more effective and efficient implementation of Japan’s ODA while fulfilling the government’s accountability to Japanese taxpayers by publishing the evaluation results.

The External Advisory Meeting on ODA Evaluation was formed as an informal advisory body of the Director-General of the International Cooperation Bureau of the MOFA to improve objectivity in ODA evaluation. The Advisory Meeting is commissioned to design and conduct evaluations of ODA and feed back the results and recommendations of each evaluation to the International Cooperation Bureau of the MOFA so that they could be reflected in the actual implementation of ODA for improvement. Masato NODA (Executive Director, Nagoya NGO Center/Associate Professor, Chubu University), a member of the meeting, was in charge of this evaluation.

Hisao SEKINE, (Professor, Graduate School of Humanities and Social Sciences, Tsukuba University), being an advisor to the study, made enormous contribution to this report. Likewise, the MOFA, the Japan International Cooperation Agency (JICA) including overseas economic cooperation operations department of the former Japan Bank for International Cooperation (JBIC), and the ODA Taskforces, the governments of Fiji and Solomon Islands, international organizations, and JOCV volunteers and NGOs/civil society

also made invaluable contribution. We would like to take this opportunity to express our sincere gratitude to all those who were involved in this study. The ODA Evaluation Division of the International Cooperation Bureau of the MOFA was in charge of coordination of all the involving associates. All other supportive works including information collection, analysis and report preparation was provided by International Development Center of Japan (IDCJ) under the commission of the MOFA

Finally, we wish to add that the opinions expressed in this report do not reflect views or positions of the Government of Japan or any other institution.

March 2009

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## Country Assistance Evaluation of Pacific Island Countries

<b>1. Theme: Country Assistance Evaluation of Pacific Island Countries</b>	  
<b>2. Country / Case Study Countries:</b> The Republic of the Fiji Islands (Fiji) and Solomon Islands	
<b>3. Evaluators:</b> (1) Chief: Masato NODA, Executive Director, Nagoya NGO Center/Associate Professor, Chubu University (2) Advisor: Hisao SEKINE, Professor, Graduate School of Humanities and Social Sciences, Tsukuba University (3) Consultant: International Development Center of Japan (IDCJ)	
<b>4. Period of Evaluation Survey:</b> June 2008 – March 2009	

### Outline of Evaluation

#### 1. Evaluation Results

##### (1) Relevance of the Policies

The compatibility between the ODA policies for Pacific island countries and Japan's higher ODA policies, regional development policies and international priorities is concluded to be fairly high. The priority sectors of assistance for Fiji and Solomon Islands are developed based on the regional policies for Japan's ODA and are compatible with the development needs of the two countries. Meanwhile, the emerging development challenges such as food security, environment and climate change are identified, and the ODA policies should be reviewed to respond to such threats.

##### (2) Effectiveness of the Results

The region-wide cooperation with a base in Fiji has been implemented and has had effective impact in the health and education sectors. In Solomon Islands, the support for infrastructure development in the reconstruction phase and the effort of securing "food, employment and human capital" with regard to subsistence economy and modernization in the rural development sector have been effectively conducted. In addition, the dispatch of Japan Overseas Cooperation Volunteers (JOCV)/Senior Volunteers (SV), the

coordination with NGOs and the Grant Assistance for Grassroots Human Security Projects (GGP) are confirmed to be highly effective as visible, community-based approach from the people's perspective.

(3) Appropriateness of the Process

Both in Fiji and Solomon Islands, Japan's ODA has been conducted with the sufficient communication among different stakeholders. On the other hand, without visible country assistance strategies, there are some challenges in explaining Japan's ODA policies to the recipient governments and other donors for more effective partnership and the enhancement of program-based approach. While the effort of utilizing the limited aid resources is recognized, there is a room for improving the implementation system in terms of the follow-up of region-wide cooperation, strategic input of JOCV/SV and efficient use of GGP.

## **2. Main Recommendations**

- (1) Japan's recognition of Pacific island countries as the "island country partners," sharing beautiful natural environment and prosperity of resources of the Pacific.
- (2) Support for the common regional challenges of economic vulnerability and environmental vulnerability and clarification of two of the priority areas ("food, employment and human capital" and "environment and disaster prevention") for achieving "human security."
- (3) Promotion of program-based assistance and scaling up of 'visible,' sector-wide regional cooperation through multi-bilateral cooperation as well as the Japan Special Fund including the "Japan-Pacific Environment Fund" (provisional name).
- (4) Formulation of country assistance strategies which are compatible with the situation of each country.
- (5) The scale of Japan's ODA that matches the significance of hosting the Pacific Island Leaders Meetings (PALM) as well as the regional importance addressed in Japan's ODA policies.
- (6) Establishment of "Volunteer Experts" (provisional title), strategic input of JOCV, strengthened coordination with NGOs/civil society and flexible utilization of GGP and Technical Cooperation for Grassroots Projects (TCGP).
- (7) Support for and consideration of non-ODA sectors (rent revenues, remittances from overseas, tourism, etc.).

(Note: The opinions expressed in this summary do not necessarily reflect the views and positions of the Government of Japan or any other institutions.)

## 1. Recommendations

### 1.1 Recommendations for Japan's ODA Policies for the Pacific Island Region

The following recommendations for Japan's ODA policies are made by the evaluation team to address common challenges faced by the Pacific island region.

Basic recognition: Japan and Pacific island countries are the “island country partners,” sharing beautiful nature and prosperity of resources of the Pacific.

Basic principal: Assistance provided to support for achieving “human security” with the focus on economic vulnerability and environmental vulnerability

1. The priority areas of Japan's ODA should focus on two areas (i.e. (a) economic vulnerability and (b) environmental vulnerability) with a view to formulating sector programs.
  - (a) Food, employment and human capital: the support for economic vulnerability
    - (a-1) Food security (subsistence agriculture and fisheries development)
    - (a-2) Rural development (stabilization of the self-sustaining economy and securing of cash income in rural areas)
    - (a-3) Basic education and skill education (enhancement of opportunities for cash income through human capital development)
    - (a-4) Health (extension of the support for MDGs, the J-PIPS and other projects based on the past experience of assistance)
    - (a-5) Infrastructure (infrastructure development which is focused on local networks to the market and ensures “food, employment and human capital”)
  - (b) Environment and disaster prevention: the support for environmental vulnerability – the effort to establish “Pacific Environment Community (provisional name)”
    - (b-1) Alleviation of environmental vulnerability through waste management, etc. (especially in atoll countries)
    - (b-2) Securing of water resources (common challenge for the Pacific island region)
    - (b-3) Response to the natural disasters associated with climate change
    - (b-4) Strengthening of the community and human capital for disaster prevention
    - (b-5) Infrastructure development for environmental conservation and disaster prevention
    - (b-6) Establishment of “Japan Pacific Environment Fund (provisional name)” for the regional sector-wide support in the environment sector
2. The scale of Japan's ODA for the Pacific island region should be comparable to the significance of the region addressed in Japan's ODA policies with regard to the fact of hosting the Pacific Island Leaders Meetings (PALM).
3. Formulation of country assistance strategies: a comprehensive and ‘visible’ assistance strategy with regard to private sector cooperation for each country should be formulated and presented to the recipient country and other donors in order to enhance the efficiency of assistance.

4. Promotion of program-based approach with a specific focus of the two priority areas above (i.e. “food, employment and human capital” and “environment and disaster prevention”): the program-based approach should be promoted through the coordination between different schemes and projects in the focused two areas to enhance the efficiency and effectiveness of Japan’s ODA.
5. Establishment of “Volunteer Experts (provisional title)” and strategic input of JOCV/SV: selecting priority sectors and geographical areas for focused input of JOCV/SV while promoting region-wide cooperation of the volunteers.
6. Strengthened coordination with NGOs/civil society and flexible utilization of Grant Assistance for Grassroots Human Security Projects (GGP) and Technical Cooperation for Grassroots Projects (TCGP) should be promoted with the initiative of the ODA Taskforce.
7. The support for capacity development on data gathering and analysis should be increased, which is vital for formulating development policies.
8. Promotion of program-based assistance and scaling up of ‘visible,’ sector-wide regional cooperation: the promotion of multi-bilateral cooperation, the extension of ‘good practice’ at a regional level and the establishment of regional fund in the environment sector.
9. The publicity of Japan’s aid policies and projects should be further promoted for improved recognition.

\* Classification of Pacific Island Countries based on development potentials

In this evaluation study, the evaluation team has classified Pacific island countries into three groups in regard to their development potentials<sup>1</sup> (Table 1-1). In this chapter, the recommendations for Japan’s ODA policies for Pacific island countries are first presented in 1.1. Then, according to the classification, the recommendations for the Republic of the Fiji Islands (Fiji, Group 1), Solomon Islands (Group 2) and the atoll countries (Tuvalu, the Republic of the Marshall Islands (the Marshall Islands) and the Republic of Kiribati (Kiribati), Group 3) are made in 1.2, 1.3 and 1.4 respectively.

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<sup>1</sup> This classification is based on the literature analysis.



Table 1-1 Classification of Pacific Island Countries Based on Development Potentials

Classification of Pacific Island Countries Based on Development Potentials		
Group 1	Countries with relatively rich resources and a large economic size, so that they have some political presence in the region.	<u>Fiji</u> ; the Independent State of Papua New Guinea (Papua New Guinea)
Group 2	Countries that still need to be assisted for the time being, however have the potentials to become self-reliant countries in the future under the certain conditions in which land system and social structures are well equipped and a remarkable development is made in human capacity buildings.	<u>Solomon Islands</u> ; the Independent State of Samoa (Samoa); the Republic of Vanuatu (Vanuatu) ; the Kingdom of Tonga (Tonga)
Group 3	Countries that need to be assisted continuously due to their high level of vulnerability.	<u>Tuvalu</u> ; the <u>Marshall Islands</u> ; <u>Kiribati</u> ; the Federated States of Micronesia (Micronesia), the Republic of Palau (Palau); the Republic of Nauru (Nauru)

\* underline refers to case study countries.

## 1.2 Recommendations for Japan's ODA Policy for the Republic of the Fiji Islands (Fiji, Group 1)

Before presenting the recommendations, the lessons learned from the evaluation study are summarized below:

1. Due to limited aid resources allocated to Fiji, the focus of Japan's ODA has been set among priority sectors at the implementation level. Such effort of setting focal sectors should also be reflected in Japan's ODA policy for Fiji.
2. The significance of region-wide cooperation based in Fiji has been confirmed, and such effort should be extended by strengthening the capacity of Fiji as a center of region-wide cooperation.
3. In general, Japan's ODA policy for Fiji is not well recognized among the stakeholders (government officials and other donors) in Fiji. Therefore, it is desirable to formulate a country assistance strategy and to publicize it to other stakeholders.
4. It is confirmed that JOCV/SV and GGP are quite effective aid schemes to meet the development needs at the community level despite the relatively small size of each project. On the other hand, to conduct follow-up activities of each project, it is difficult to utilize these schemes in rural areas or remote islands in the present implementation system.

### 1.2.1 Building the Future Capacity of Fiji as a Center of Region-Wide Cooperation (Education, Health and Disaster Prevention) and Responding to the Highly Prioritized Development Issues Such as "Food, Employment and Human Capital" and Tourism

With the limited aid resources allocated to Fiji, the focus of Japan's ODA among priority sectors has been set at the implementation level. This effort should be reflected in Japan's ODA policy for Fiji as well. By focusing on specific sectors at the policy level, diffusion of limited aid resources can be prevented. The recommended sectors on which Japan's ODA

policy should focus are primarily health, education and disaster prevention (human capital development), for which Japan has enough experience and ‘good practice’ through the region-wide cooperation. Other sectors where Japan has the comparative advantage are “food, employment and human capital” and tourism.

Also, the adoption of multi-bilateral approach is proved to be effective for the region-wide cooperation in Pacific island countries. In order to make such approach more effective, the capacity development of Fiji as a center of region-wide cooperation is required.

#### **1.2.2 Presentation of ‘Visible’ Country Assistance Strategy of Japan’s ODA: Promotion of Program-Based Approach, Efficiency and Aid Coordination with Clear Focus on Priority Areas**

It is confirmed that the level of recognition on Japan’s ODA policy in Fiji among stakeholders (e.g. government officials and other donors) is not very high. To improve the situation, it is desirable to formulate a country assistance strategy in which priority areas are clearly and concisely articulated and to publicize it to other stakeholders for better aid coordination among donors.

#### **1.2.3 Clarification on the Role of JOCV/SV in Sector Programs: Need of Strengthening Coordination between Volunteers with the “Volunteer Experts (Provisional Title)” and the Selection and Concentration in Terms of the JOCV/SV Input**

To increase the effectiveness of activities of JOCV/SV in Fiji, it is necessary to develop a system that allows better coordination among volunteers as well as the allocation of JOCV/SV to rural areas or remote islands where the needs are high. In order to achieve this goal, it is crucial to clearly define the role of JOCV/SV in sector programs and assign coordinators (possibly “Volunteer Experts (provisional title)” proposed in 1.1) to enhance the communication among volunteers located in remote areas. As a result, each volunteer can be well aware of the aim of his/her role in the program and can work collectively for the aim with the help of coordinators.

#### **1.2.4 Strengthening the Implementation System for GGP: Efficient Implementation in Rural Areas and Remote Islands Where the Needs are High with the Initiative from the Field by the ODA Taskforce**

GGP is quite effective in meeting the needs of the community in Fiji. However, due to the limitation of resources, implementing such projects in rural areas or remote islands is rather difficult. To overcome the difficulty, it is required to develop a flexible system which allows effective formulation, implementation and follow-up activities of GGP in such areas.

### **1.3 Recommendations for Japan’s ODA Policy for Solomon Islands (Group 2)**

Before presenting the recommendations, the lessons learned from the evaluation study are summarized below:

1. It is crucial in Solomon Islands to harmonize the development effort aimed at job

creation along with subsistence livelihood in the community.

2. Japan's timely support for reconstruction of infrastructure after the series of ethnic tension has been effective and highly appreciated by the Solomon Islands Government. Now that the reconstruction phase has been close to an end, the focus should be placed more on the sustainable development of Solomon Islands.
3. In achieving "rural development" and "food security," NGOs/civil society are supposed to take a significant role. The TCGP project of APSD Solomon in Malaita Province is a good example of how to collaborate with NGOs/civil society. Therefore, it should continue to scale up in the coming years.
4. It is confirmed that the JOCV/SV has played an important role in Japan's ODA for Solomon Islands. However, it is preferable to avoid the input of JOCV/SV geographically dispersed in order to enhance the effectiveness of each scheme.
5. In the reconstruction phase after the ethnic tension, Japan's prompt and timely support for infrastructure development was highly evaluated by the Solomon Islands Government. Henceforth, it is required to shift the focus from support for the reconstruction to the development of infrastructure for achieving sustainable economic development.

#### **1.3.1 Provision of the Assistance for "Food, Employment and Human Capital": 'Dual Track' Support for the Effort to Obtain the Access to Modern Economy for Cash Income with the Basis of Traditional Subsistence Economy as a Basic of a Livelihood**

In Solomon Islands, subsistence livelihood is crucial in securing food and basic human needs (BHN). On the other hand, more young people are migrating to the capital to earn cash income while there are not enough employment opportunities for them. Therefore, it is crucial to consider the development of a 'dual track' support for the people's effort to seek the means of cash income with the basis of traditional subsistence livelihood in the community. In other words, the assistance for "food, employment and human capital" proposed in 1.1 should be encouraged.

#### **1.3.2 Eliminating the Causes of Ethnic Tension through Rural Development: Support for Filling the Gap between Urban and Rural Areas**

Solomon Islands had experienced a severe ethnic tension since the end of 1998. One of the causes of the tension is considered to be the influx of rural residents into the capital who sought for employment. Therefore, it is particularly important to support rural development and to fill the socioeconomic gap between urban and rural areas.

#### **1.3.3 Assistance for "Rural Development" and "Food Security" in Coordination with NGOs/Civil Society: the Support for the Establishment and Scaling up of a 'Good Practice'**

NGOs/civil society can play an important role in the support for "rural development" and "food security" in Solomon Islands. One example is a project implemented by APSD Solomon which aimed at introducing the idea of permaculture (an approach to utilize natural circumstances for the livelihood) as an alternative to the traditional slash-and-burn agriculture. Such effort for obtaining stable yields using appropriate techniques led by NGOs/civil society should be scaled up as a 'good practice' to achieve rural development

and food security in Solomon Islands.

#### **1.3.4 Achieving ‘Visible’ Outcomes through Focused Input of JOCV/SV and “Volunteer Experts (Provisional Title)”**

Since Solomon Islands consists of many islands, dispersed allocation of JOCV/SV could result in less recognizable outcomes. In this regard, more intensive input of several volunteers in a designated area can be a measure to avoid inefficiency and enhance collaboration among them. It is also important to assign coordinators (such as “Volunteer Experts (provisional title)” proposed in 1.1) for organizing their work.

#### **1.3.5 Shifting the Focus of Assistance from Reconstruction and Emergency Aid to Infrastructure Development for Sustainable Development**

In the reconstruction phase following the end of ethnic tension, Japan’s timely and swift assistance on infrastructure development was highly evaluated by the Solomon Islands Government. The emergency grant aid provided by Japan in the wake of earthquake and tsunami disaster has also been quite effective for recovering from the damage. Now that the priority of development needs in Solomon Islands is shifting from reconstruction to sustainable socioeconomic development which fills the gap between urban and rural areas, Japan’s ODA policy should also shift with this trend accordingly.

### **1.4 Supplementary Note: Recommendations for Japan's ODA Policy for Atoll Countries (Group 3)**

This section summarizes the recommendations for Group 3 countries taking atoll countries (Tuvalu, the Marshall Islands and Kiribati) as case study countries. Since the evaluation team has not conducted a field study for the Group 3 countries, the recommendations are made based on the literature analysis and noted as a supplementary note.

#### **1.4.1 The Characteristics of Atoll Countries and the Direction of Assistance: Protection from and Empowerment against Various Threats Posed by Globalization**

The small island countries categorized into Group 3 are characterized by small size of land and population, and therefore it is extremely difficult to achieve self-sustaining industrial development. Thus, it is not reasonable to assume such countries take the same development pathway as those of Fiji and Solomon Islands with more resources for development. Accordingly, the approach of assistance should differ.

In particular, the atoll countries are exposed to economic and environmental threats caused by the globalization. Therefore, the focus of assistance should be “food, employment and human capital” and “environment and disaster prevention” to protect from and empower against such threats.

#### **1.4.2 Protection and Empowerment for “Food, Employment and Human Capital”**

In the atoll countries, subsistence economy plays a significant role in fulfilling food security

and BHN and works as a safety net against the economic uncertainty caused by the globalization. Therefore, the support for strengthening such traditional system is crucial. In addition, the basic infrastructure development intended to meet BHN should also be the focus of assistance, utilizing GGP or other schemes in a flexible manner.

For the household of atoll countries, the remittance from emigrants accounts for a large portion of their income. Therefore, in the “food, employment and human capital” sector, the basic and skill education which enables people to obtain employment overseas should be promoted through various modes of assistance such as JOCV/SV and coordination with NGOs.

Furthermore, one should recognize that ODA alone cannot sufficiently respond to some specific issues (e.g. securing stable fishing license fees), and non-ODA sectors (e.g. private sector) can play a significant role in solving such issues.

#### **1.4.3 Protection and Empowerment for “Environment and Disaster Prevention”**

The atoll countries are extremely vulnerable to the environmental impacts of climate change due to their small land size and low altitude. To mitigate such impacts, it is important to promote region-wide cooperation for improving meteorological prediction and warning system and to support community-based disaster prevention education led by JOCV/SV and NGOs.

Waste management is also an imminent problem in the atoll countries due to small land size. It should be tackled with a view of regional perspective of the cooperation, taking Japan’s ODA in Samoa as a ‘good practice.’

Finally, the assistance for “environment and disaster prevention” should be strengthened by “Japan-Pacific Environment Fund (provisional name),” which is aimed for visible sectoral support with clear objective. By introducing such scheme, the financial basis of the recipient country in the environment sector will be stabilized, and the capacity development and program-based approach in the sector will be promoted.

## **2. Evaluation Implementation Policy**

### **2.1 Background and Objectives**

Pacific island countries face such development challenges as limited land areas, small market sizes and remoteness from major global markets. Japan has been providing assistance to help the countries overcome these challenges. Five priority areas of Japan’s ODA for Pacific island countries were formulated at the Fourth Pacific Island Leaders Meeting (PALM 4) in 2006: namely, (1) economic growth; (2) sustainable development; (3) good governance; (4) security; and (5) people to people communication and exchange. The priority areas of assistance for each Pacific island country have been set based on the above mentioned five priority areas.

The objective of this study is to conduct a comprehensive evaluation and analysis of Japan's assistance policies for Pacific island countries to obtain lessons and recommendations which will contribute to the planning of policies and the efficient and effective implementation of future assistance. In addition, it is intended to make a significant input to the Fifth Pacific Islands Leaders Meeting (PALM 5). This evaluation is also entrusted with other objectives to carry out the accountability of the government to the taxpayers by publishing the result of this evaluation and to promote the people's understandings toward the Japanese ODA by giving a feedback of the evaluation results to the related stakeholders of the recipient countries and institutions and to other donors.

## **2.2 Scope of Evaluation**

The scope of the evaluation covers Japan's aid policies for Pacific island countries from FY 2003 onwards.

Fiji and Solomon Islands are selected from Group 1 and Group 2 respectively as the case study countries for comprehensive evaluation and analysis. For Group 3 countries, three atoll countries (Kiribati, the Marshall Islands and Tuvalu) are selected for the subject of literature analysis.

## **2.3 Evaluation Framework**

The evaluation has been conducted based on three evaluation criteria: "relevance of the policies," "effectiveness of the results" and "appropriateness of the process."

### **(1) Relevance of the Policies**

Evaluation of (i) the compatibility of the contents of Japan's ODA policies for Pacific island countries with the superior policies of Japan, the development policies of Pacific island countries and the prioritized global requirements, and (ii) adequate division of work or specialization between the Japanese aid policies and those of major donors and international organizations.

### **(2) Effectiveness of the Results**

Evaluation of whether or not the aid policies and aid activities of Japan have produced effective results for the achievement of the objectives.

### **(3) Appropriateness of the Process**

Evaluation on the appropriateness of "formulation process" and "implementation process" of Japan's ODA policies for Pacific island countries.

## **3. Trends of Aid for Pacific Island Countries**

The ODA performance of major donors for Pacific island countries from 2003 to 2006 is

shown in Table 3-1. Japan is ranked fifth while most of the top donors are former suzerain countries.

**Table 3-1 ODA Performance of Major Donors for Pacific Island Countries**

(Net disbursement; Unit: US\$ million)

	2003	2004	2005	2006	Total	Share (%)
Total of All Donors	814.78	936.40	1,144.08	1,127.22	4,022.48	100.00
1. Australia	376.86	446.36	483.38	480.16	1,786.76	44.42
2. USA	174.30	144.61	159.23	187.01	665.15	16.54
3. France	62.23	114.20	109.60	112.07	398.10	9.90
4. New Zealand	65.86	79.40	103.81	113.32	362.39	9.01
5. Japan	52.14	42.14	96.97	76.19	267.44	6.65

Source: OECD-DAC

#### **4. Development Plans and Aid Trends in Fiji (Group 1), Solomon Islands (Group 2) and Atoll Countries (Group 3)**

##### **4.1 Fiji**

##### **4.1.1 Development Plans in Fiji**

The Government of Fiji has formulated the Strategic Development Plan: 2003 - 2005 with the vision of "rebuilding confidence for stability and growth for a peaceful, prosperous Fiji." This Plan puts forward the following strategic priorities.

- (1) Rebuilding Confidence for Stability
  - Enhancement of security and law and order
  - Promotion of national reconciliation and unity
  - Alleviation of poverty
  - Strengthening of good governance
  - Review of the Constitution
  - Resolving of the agricultural land lease issue
  - Implementation of affirmative action
- (2) Rebuilding Confidence for Growth
  - Maintenance of macro-economic stability
  - Raising of the investment levels for jobs and growth
  - Reform of the public sector to reduce the cost of conducting business
  - Rural and outer island development
  - Structural reform to promote competition and efficiency

At present, the Government of Fiji is in the process of formulating and seeking the parliamentary approval of a medium-term development plan (Sustainable Economic and Empowerment Development Strategy (SEEDS) 2008 - 2010).

## 4.1.2 Aid Trends in Fiji

### (1) Aid Performance of Major Donors

The aid performance of major donors in Fiji from 2003 to 2006 is shown in Table 4-1.

Table 4-1 ODA for Fiji by Donor (2003 – 2006)  
(Net Disbursement; Unit: US\$ million)

	2003	2004	2005	2006	Total	Share (%)
Total of All Donors	51.12	63.92	63.96	55.90	234.90	100.00
1. Australia	12.93	15.77	20.46	21.87	71.03	30.24
2. Japan	24.79	14.15	12.59	7.99	59.52	25.34
3. EU	4.01	21.88	19.77	8.96	54.62	23.25
4. New Zealand	2.70	2.76	3.47	5.92	14.85	6.32
5. UNICEF	2.02	2.29	3.02	2.73	10.06	4.28

Source: OECD-DAC

Australia, Japan, the EU and New Zealand accounted for approximately 85% of the total ODA provided for Fiji. However, the total amount of ODA for Fiji was not particularly large as it was only equivalent to some 2.1% of Fiji's GDP in 2005 or some 1.8% in 2006. Following the political turmoil in December 2006, the major donors have reviewed their ODA for Fiji, including the postponement of the formulation and implementation of new projects.

### (2) Aid Performance of Japan

The aid performance of Japan by scheme from FY 2003 to FY 2006 is shown in Table 4-2.

Table 4-2 Japan's ODA for Fiji (by Scheme)

	Grant Aid	Technical Cooperation				
	Amount (¥ million)	Amount (¥ million)	Acceptance of Trainees (Persons)	Dispatch of Experts (Persons)	Dispatch of JOCV/SV (Persons)	Provision of Equipment (¥ million)
FY 2003	863	1,127	215	8	14	74.18
FY 2004	165	1,085	157	35	28	13.10
FY 2005	75	1,025	92	33	22	10.99
FY 2006	75	817	78	19	17	40.05

## 4.2 Solomon Islands

### 4.2.1 Development Plans in Solomon Islands

Based on the development policies and plans of Solomon Islands, the last five years can be divided into three periods: (1) period of the NERRDP (National Economic Recovery, Reform and Development Plan 2003 - 2006), (2) period of absence of any development plan under the Sogavare Administration (GCCG: Grand Coalition for Change Government) and (3) period of the current CNURA (Coalition for National Unity and Rural Advancement) since 2008. The development policies set by each government are as follows:



#### NERRDP Priority Sectors

- (1) Normalization of the law and security situation
- (2) Strengthening of democracy, human rights and good governance
- (3) Restoration of the fiscal and financial stability and reform of the public sector
- (4) Revitalization of the productive sector and rebuilding of supporting infrastructure
- (5) Restoration of basic social services and fostering of social development

#### Strategic Issues Identified in the GCCG Policy Framework Document

- (1) Constitutional reform
- (2) Police and national security
- (3) Justice and legal affairs
- (4) National reconciliation and peace
- (5) Foreign affairs
- (6) Finance and planning
- (7) Banks and other financial institutions
- (8) Development planning and aid management
- (9) Economic infrastructure
- (10) Social services sector
- (11) Public service

#### Priority Areas Identified by CNURA Policy Statements

- (1) Reconciliation and rehabilitation
- (2) National security and foreign relations
- (3) Infrastructure development
- (4) Social service sector
- (5) Economic and productive sector
- (6) Civil affairs

At present (February, 2009), the Medium-Term Development Strategy (MTDS) 2008 - 2010, which is the successor to the NERRDP 2003 - 2006, is awaiting parliamentary approval. The draft of MTDS succeeds six priority areas from the CNURA Policy Statement.

#### **4.2.2 Aid Trends in Solomon Islands**

- (1) Aid Performance of Major Donors

The aid performance of major donors in Solomon Islands from 2003 to 2006 is shown in Table 4-3.

Table 4-3 ODA for Solomon Islands by Donor (2003 – 2006)

(Net Disbursement; Unit: US\$ million)

	2003	2004	2005	2006	Total	Share (%)
Total of All Donors	60.14	121.32	198.24	204.51	584.21	100.00
1. Australia	69.01	102.16	143.02	146.42	460.61	78.84
2. EU	4.92	3.19	22.76	20.11	50.98	8.73
3. New Zealand	6.16	11.62	10.42	17.65	45.85	7.85
4. Japan	-18.89	2.86	14.16	14.3	12.43	2.13
5. Netherlands	-	-	4.91	-	4.91	0.84

Source: OECD-DAC

In the period from 2003 to 2006, Australia, the EU, New Zealand and Japan accounted for approximately 97.5% of the total ODA provided for Solomon Islands. Australia in particular accounted for some 78.8% of the total ODA for Solomon Islands, establishing a predominant presence.

## (2) Aid Performance of Japan

The amount of Japan's ODA for Solomon Islands is not particularly large compared to other major donors. Japan's ODA on a commitment basis in FY 2008 accounts for 4% of the total ODA of donors and is ranked fifth after Australia (65%), the EU (11%), New Zealand (6%) and Taiwan (6%). The aid performance of Japan by scheme from FY 2003 to FY 2006 is shown in Table 4-4.

Table 4-4 Japan's ODA for Solomon Islands (by Scheme)

	Grant Aid	Technical Cooperation				
	Amount (¥ million)	Amount (¥ million)	Acceptance of Trainees (Persons)	Dispatch of Experts (Persons)	Dispatch of JOCV/SV (Persons)	Provision of Equipment (¥ million)
FY 2003	115	119	21	16	0	2.9
FY 2004	1,747	300	95	12	0	36.58
FY 2005	767	389	45	4	8	19.95
FY 2006	1,737	335	35	14	12	24.83

## 4.3 Supplementary Note: Atoll Countries (the Republic of the Marshall Islands, Tuvalu and the Republic of Kiribati)

### 4.3.1 Development Challenges of Atoll Countries

The atoll countries (the Marshall Islands, Tuvalu and Kiribati) are extremely small countries in terms of their land, population and other resources. It is difficult for these countries to establish economic independence by means of earning foreign currencies through ordinary assumed industrial development. Accordingly, the direction of development and the nature of assistance in these countries should be different from those of Fiji and Solomon Islands of which the land size and population are comparatively large. The characteristics of the atoll countries are listed below.

- Least developed countries (LDC) with a very small country size
- Great dispersion of national land, geographical isolation from international markets and persisting subsistence economy in rural areas
- Limited development prospects for agriculture and forestry due to scarce land availability
- Limited prospects for industrial development due to few resources
- Chronic international trading deficit
- Dependence on marine resources and fishing license fees with the extensive EEZ and the remittance from emigrants to compensate for international trade deficit
- Extreme vulnerability to the external circumstances such as climate change and global economy

#### 4.3.2 Aid Trends in Atoll Countries

The ODA for the atoll countries has been primarily focused on the development of human resources (health and education), environmental conservation, effective utilization of marine resources and improvement of basic infrastructure. The ODA performance for the atoll countries from major donors is shown in Table 4-5.

Table 4-5 ODA for the Atoll Countries

Country	Amount (2007)	Main Donors (2003 - 2007)
Marshall Islands	US\$ 52.12 million	1. USA (86.02%) 2. Japan (9.12%) 3. Australia (1.48%)
Tuvalu	US\$ 11.74 million	1. Japan (30.32%) 2. Australia (28.37%) 3. EU (16.12%) 4. New Zealand (15.17%)
Kiribati	US\$ 27.05 million	1. Japan (34.29%) 2. Australia (26.87%) 3. EU (16.70%) 4. New Zealand (8.99%)

Other than the Marshall Islands, which receives economic cooperation from the USA through the Compact Treaty, Japan is a major donor for the atoll countries in the Pacific. The priority areas of Japan's ODA for each country are shown in Table 4-6.

Table 4-6 Priority Areas of Japan's ODA for the Atoll Countries

Country	Priority Areas of Japan's ODA
Marshall Islands	Primary and secondary education; health services; infrastructure management; environment; industrial development
Tuvalu	Economic growth (infrastructure and fisheries); sustainable development (environment, health, water and sanitation and education); good governance (administrative capacity building and institutional capacity building)
Kiribati	Economic growth (infrastructure and fisheries); sustainable development (environment, health, water and sanitation and education); good governance (administrative capacity building and institutional capacity building)

## **5. Evaluation of Japan's ODA for Fiji**

### **5.1 Relevance of the Policies**

In this section, the compatibility between Japan's basic policies for Pacific island countries (the Okinawa Initiative in 2003 and the Okinawa Partnership in 2006) and superior policies is examined. The relevance of the aid policies for Fiji is then examined.

#### **5.1.1 Relevance of Japan's Aid Policies for Pacific Island Countries**

##### **(1) Compatibility with Japan's ODA Policies**

Japan's superior ODA policies are spelled out in the ODA Charter (revised in August 2003) and Medium-Term Policy on ODA (formulated in February 2005) which elaborates the contents of the ODA Charter.

It is confirmed that Japan's aid policies for Pacific island countries are fully compatible with the superior ODA policies. The Okinawa Initiative calls for harmonization with the regional policy framework endorsed by leaders and ministers of the PIF (The Pacific Islands Forum) while the Okinawa Partnership adopts assistance in line with the Pacific Plan, a development framework for the region, as the basic ODA policy. These declarations reflect Japan's stance of respecting the framework of development policies for the region and conform to the basic policy of "supporting self-help effort of developing countries."

##### **(2) Compatibility with Regional Development Policies**

The Okinawa Partnership positively assessed the Pacific Plan as the manifestation of the ownership of Pacific island countries and was formulated for the purpose of assisting the progress in four priority areas identified by the Pacific Plan (i.e. "economic growth," "sustainable development," "good governance" and "security") in the region. Because of such link, there is no conflict between the priority areas of the Okinawa Partnership and those of the Pacific Plan.

##### **(3) Compatibility with Prioritized Global Requirements**

###### **(a) MDGs (Millennium Development Goals)**

Both the Okinawa Initiative and the Okinawa Partnership are compatible with the MDGs. The Okinawa Initiative in particular is given the status of a regional initiative to achieve the MDGs, and therefore its policies are highly compatible with the MDGs. The Okinawa Partnership has inherited the main policies of the Okinawa Initiative, especially those policies corresponding to the unique development issues for small island countries.

###### **(b) Mauritius Strategy**

The contents of both the Okinawa Initiative and the Okinawa Partnership correspond to the development issues identified in the Mauritius Strategy document, and there is a high level of compatibility.

## **5.1.2 Relevance of Japan's Aid Policies for Fiji**

### **(1) Compatibility with Japan's ODA Policies**

There is a good compatibility between Japan's aid policies for Pacific island countries (the Okinawa Initiative and Okinawa Partnership) and Japan's superior ODA policies (the ODA Charter and Medium-Term ODA Policy) as examined in 5.1.1. It is concluded by the evaluation team that the aid policies for Fiji are highly compatible with Japan's superior policies as in the case of the aid policies for Pacific island countries as they correspond to the inherent development issues of Fiji based on the five priority areas identified by the Okinawa Partnership (economic growth, sustainable development, good governance, security and people to people communication and exchange).

### **(2) Compatibility with the Development Plan of Fiji**

The contents of the medium-term development plan announced in November 2002 (Strategic Development Plan 2003 - 2005) are generally compatible with Japan's priority areas for aid. Japan's aid for education and vocational training is particularly relevant as it responds to the development needs of Fiji from the wide-ranging viewpoints of poverty reduction, rectification of gaps (e.g. equal opportunities for education), investment for job creation, protection of young people and children and strengthening of ICT.

### **(3) Complementation and Coordination with Aid of Other Donors**

In the aftermath of political turmoil in 2006, major donors have been avoiding a policy commitment in the area of governance. As a result, the aid priority has been placed on those areas (community-level aid, education, health and others) which directly benefit the people of Fiji. No donor meetings led by the government have been held since 2004, indicating the virtual suspension of the official framework to harmonize the aid of various donors based on Fiji's own development plan.

In the health sector where several donors are coordinating with each other for the joint implementation of projects, donor meetings are regularly held to ensure better collaboration. It is also confirmed that the division of work and the avoidance of duplication at the project level in other sectors are ensured through consultation meetings between donors.

## **5.2 Effectiveness of the Results**

### **5.2.1 Economic Growth**

#### **(1) Trade and Investment**

In the trade and investment sector, the Strengthening of Commercial Agriculture Development Project was planned to be implemented by the ADB through the Japan Special Fund; however, it has been suspended by the ADB due to the present political situation of Fiji.

In the case of the Strengthening of the Public Sector Financial Governance Project (ADB Special Fund), a financial expert was dispatched from 2003 to 2005 to assist the Fiji Islands' Financial Management Reform (FMR) Project, a project continuing from 1998 for financial sector reform in Fiji. This dispatch of an expert achieved positive results, including the formulation of the implementation framework for the revised FMR. This revised FMR implementation framework was approved by the cabinet. The Financial Management (FM) Act, the formulation of which was assisted by Japan, was officially passed in 2004 and enforced in 2005.

## (2) Infrastructure

The total development expenditure on infrastructure in Fiji was approximately US\$ 441 million in the period from 2003 to 2006, accounting for some 13 - 16% of the country's annual development expenditure. In the same period, DAC countries provided total aid of some US\$ 6 million which was equivalent to approximately 1.3% of the total development expenditure on infrastructure in the country. Japan's contribution was by far the largest at US\$ 5.2 million which was equivalent to 1.2% of the total development expenditure on infrastructure or 89% of the total aid amount of DAC countries for infrastructure in Fiji.

"Nadi-Lautoka Regional Water Supply Project" was the first Yen loan provided to Fiji and was intended to upgrade the water supply facilities to meet the demands of increasing population and tourism. Through this project, the capacity of the facilities has been significantly strengthened. In addition, the work of a senior volunteer, who was dispatched to follow up the project, was highly evaluated by the Government of Fiji for the skill of leakage reduction.

The intended ADB Japan Special Fund projects have been either suspended or postponed and therefore have not made any outcomes so far.

## **5.2.2 Sustainable Development**

### (1) Environment

The activities to compost raw garbage and fallen leaves for forestation were supported by Grant Assistance for Japanese NGO Project. Also, the provision of garbage collection trucks has been implemented through GGP, and JOCVs have been assigned for environmental education and waste management.

### (2) Health

The total development expenditure in the health sector in Fiji was some US\$ 292 million in the period from 2003 to 2006, accounting for some 10% of Fiji's total development expenditure in this period. In the same period, DAC countries provided some US\$ 32 million which was equivalent to 11% of the relevant expenditure of the Government of Fiji. Japan was ranked second with US\$ 6 million after Australia. Japan's contribution was equivalent to 2% of Fiji's development expenditure in the health sector or 19% of the aid amount provided by DAC countries for the health sector in Fiji.

“The project for Construction of the New Pharmaceutical Services Center” (grant aid) was implemented to renew the facilities of the Fiji Pharmaceutical Services Center (FPSC) and to strengthen its operation. The FPSC is responsible for the bulk procurement of essential pharmaceuticals and their provision on request to neighboring countries at low prices. The project has been successful, for the capacity of the FPSC as a base of providing medical supplies has been improved.

“Japanese Support to the Pacific Immunization Programs Strengthening (J-PIPS)” (technical assistance) is highly evaluated as a successful example of region-wide cooperation. Using FPSC as a center of the activity, J-PIPS has contributed to the capacity development of officials who are engaged in medical services through training of trainers. Also, J-PIPS is identified as a ‘good practice’ of multi-bilateral cooperation (a coordinated work with international organizations such as UNICEF and WHO) and should be extended and followed up to further increase its effectiveness.

The activities of JOCV/SV are also highly evaluated by the officials of the Ministry of Health for their committed work in their specialty as well as their support in the application procedure for Japan’s ODA.

### (3) Education

The total development expenditure in the education sector in Fiji was some US\$ 608 million in the period from 2003 to 2006, accounting for some 18 - 20% of the country’s annual development expenditure. In the same period, DAC countries provided some US\$ 41 million which was equivalent to 7% of the development expenditure of the Government of Fiji in the education sector. Japan was ranked second with US\$ 8 million after Australia. Japan’s contribution was equivalent to 1.3% of the development expenditure of the Government of Fiji in the education sector or some 20% of the aid amount provided by DAC countries.

JOCVs in the education sector are not only engaged in arithmetic and mathematics education but in physical education and the education for the handicapped.

Since such fields of education have been increasingly addressed in the education policy, the significance of volunteer’s activities was stressed by the officials of the Ministry of Education in the field study.

The support for distance education and ICT at the University of the South Pacific (USP) has been implemented through “Information and Communication Technologies Capacity Building at the University of the South Pacific” (technical assistance) and “The Project for Construction of Information and Communication Technology Center at the University of the South Pacific” (grant aid). These projects have contributed to the strengthening of the capacity of USP as a base of distance education, and the proportion of students who study through distance education at the USP has risen to 56% of all registered students. In addition, the project cycle of Japan was highly evaluated by the USP staff as thorough and flexible compared to those of other donors.

### **5.2.3 Security**

In the security sector, Japan has supported Fiji as a regional base for strengthening the capacity of meteorological prediction and warning system for disaster prevention through technical assistance (provision of equipment, dispatch of experts, third country training program, etc.). Since Pacific island countries are particularly vulnerable to natural disasters, such assistance for the effort to develop the capacity of disaster prevention is highly beneficial for the region.

### **5.2.4 People to People Communication and Exchange**

Japan has implemented a number of cultural exchange programs, such as an exchange program of high school students between Japan and PIF member countries. The scale of these programs, however, has not been expanded even after “people to people communication and exchange” was added to Japan’s ODA policy to Pacific island countries.

Other projects include: (1) assistance through the UNESCO Japanese Trust Fund for the Preservation and Promotion of Intangible Cultural Heritage; and (2) provision of equipment and improvement of facilities through cultural grant aid.

“People to people communication and exchange” has also been boosted by the dispatch of experts and JOCV/SV and the training programs held in Japan. The number of JOCV/SV dispatched to Pacific island countries is proportionally very high compared to the population size of these countries. Among them, 155 volunteers were dispatched to Fiji from FY 2003 to FY 2007, greatly contributing to “people to people communication and exchange.”

### **5.2.5 Good Governance**

While good governance is a priority sector for Japan’s ODA policy, Australia and New Zealand hold a predominant presence in the sector. In addition, due to the uncertainty of political situation in Fiji, Japan’s ODA in this sector has not been addressed very much.

## **5.3 Appropriateness of the Process**

### **5.3.1 Formulation Process**

In August, 2003, Japan held a consultation meeting on the economic cooperation policy for Fiji, explaining the priority areas of Japan’s ODA and the basic principles of each aid scheme while identifying the development policies and needs of Fiji. Such consultation meeting has not been held since because of the political situation in Fiji. However, the communication between Japan and Fiji has been kept up through other meetings and has contributed to the updating of Japan’s ODA policy for Fiji.



### **5.3.2 Implementation Process**

#### **(1) Implementation System**

##### **(a) ODA Taskforce**

It is confirmed that the ODA Taskforce in Fiji has been adequately functioning with good communication between the Embassy of Japan and JICA office. It is also identified that the ODA Taskforce has made much effort to maximize the efficiency and effectiveness of Japan's ODA with the limited aid resources allocated to Pacific island countries. For example, regional projects (such as J-PIPS and the support for USP) have been extensively utilized for focal sectors (e.g. health and education) while other sectors have been covered by the dispatch of JOCV/SV and experts, training programs and provision of equipment.

##### **(b) GGP and JOCV/SV**

Sufficient staff has been assigned to ensure the effective implementation of GGP. With the present implementation system, however, it is difficult to formulate a GGP in rural areas or remote islands to make certain of thorough follow-up. The number of Volunteer Coordinators for JOCV/SV is found to be adequate while the case of GGP also applies to JOCV/SV (i.e. difficulty of dispatching JOCV/SV to rural areas or remote islands in the present implementation system).

#### **(2) Project Formulation and Approval Process**

The formulation of a grant aid or technical cooperation project begins with a request by the Government of Fiji, which is then examined by the Government of Japan in accordance with the related criteria. No case has been found to have encountered problems during this process, confirming the adequate functioning of the process. In the case of GGP, the approvals have been based on proper examination of the feasibility of project implementation, monitoring and follow-up.

#### **(3) Communication and Coordination with the Government of Fiji**

The communication between Japan and the Government of Fiji through a consultation meeting in 2003 and subsequent meetings in other occasions is found to be adequate. In addition, since FY 2006, the ODA Taskforce has held briefing sessions to explain Japan's ODA policies and aid schemes. According to the government officials who attended the session, it was helpful in further understanding Japan's ODA policies and implementation process.

#### **(4) Coordination with Other Donors**

No donor meetings (except for sector meetings) hosted by the Government of Fiji have been held since 2004. As a consequence, the coordination between donors has been conducted mostly at the project level. Meanwhile, the sector coordination has been active for the health sector, and an annual donor meeting has been held. It is confirmed that

Japan has made sufficient efforts to avoid duplication of projects through consultation with other donors. In addition, the opportunity for multi-bilateral cooperation (as in the case of J-PIPS) has been sought for better coordinated assistance. On the other hand, some donors mentioned in the interviews that it was better for Japan to show clear ODA policies for Fiji to enhance aid coordination.

## **6. Evaluation of Japan's ODA for Solomon Islands**

### **6.1 Relevance of the Policies**

#### **(1) Compatibility with Japan's ODA Policies**

Japan's ODA policy for Solomon Islands is highly compatible with Japan's overall ODA policies as in the case of regional ODA policies because the policy has been adjusted to the unique development needs in Solomon Islands based on the five priority areas identified by the Okinawa Partnership. The emphasis on "rural development" in particular shows Japan's intention to establish a self-sufficient economy to ensure food security in rural areas and is, therefore, highly compatible from the viewpoint of "human security" as called for by the ODA Charter and the Medium-Term ODA Policy.

#### **(2) Compatibility with the Development Plan of Solomon Islands**

The priority areas for Japan's ODA are generally compatible with the contents of the development plan of Solomon Islands (NERRDP 2003 - 2006). A high level of compatibility has been established with such priority sectors identified by the NERRDP as "strengthening of democracy, human rights and good governance," "revitalization of the productive sector and rebuilding of supporting infrastructure" and "restoration of basic social services and fostering of social development."

#### **(3) Complementation and Coordination with Aid of Other Donors**

Analysis of the complementation of the aid policies of individual donors based on the priority areas of the Draft Medium-Term Development Strategy (MTDS) 2008 - 2010 has found an adequate level of complementation among the aid policies of four major donors (namely Australia, the EU, New Zealand and Japan) in all priority areas of "reconciliation and rehabilitation," "national security and foreign relations," "infrastructure development," "social service sector," "economic and productive sector" and "civic affairs." In addition, Japan's clear emphasis on infrastructure development is highly evaluated by the government officials of Solomon Islands as an approach which exploits Japan's advantageous position.

## **6.2 Effectiveness of the Results**

### **6.2.1 Economic Growth**

#### **(1) Infrastructure**

Japan's aid for infrastructure is highly evaluated as timely aid for the rebuilding of infrastructure in the capital territory, the functions of which were lost due to the ethnic tension. With Japan's aid, power supply in the capital territory has been greatly improved to attract private investment. It is now necessary to shift the emphasis of aid from the reconstruction of infrastructure to the rectification of the economic gap between urban and rural areas through rural development as indicated in the draft of MTDS.

#### **(2) Rural Development**

The main objectives of aid for rural development are the stabilization of food production and increase of the opportunities to earn cash income. In this context, a TCGP to extend permaculture for sustainable rural development in Malaita Province supported by APSD Solomon has been quite effective. JICA Solomon Islands Office highly expects this project as a model for its support on rural development and seeks the possibility of coordination with other ODA schemes.

### **6.2.2 Sustainable Development**

#### **(1) Health**

One target of the development plan of Solomon Islands in the health sector is to lower the infant mortality rate (MDG No. 4). In Solomon Islands, such infectious diseases as pneumonia, influenza and malaria are mainly responsible for the death of children up to five years old. At present, Japan provides aid for the implementation of measures to prevent malaria and to immunize against some infectious diseases, and this aid is compatible with the needs of the health sector. The Interview at the Ministry of Health confirmed that the number of people contracting malaria has greatly decreased in recent years. Even though exact data on the number of malaria patients is unavailable, it appears that Japan's ODA has contributed to the improvement of the situation.

From the viewpoint of the people, JOCV/SV activities are highly evaluated, for the volunteers actively integrate themselves into the local community and transfer skills.

#### **(2) Education**

The principal schemes used for Japan's aid for the education sector in Solomon Islands are the GGP and JOCV/SV. During the subject period of the evaluation, the majority of JOCV/SV have been dispatched as science and mathematics teachers.

While individual JOCVs have made their own achievements, the coordination among JOCV/SV is rather difficult due to geographically dispersed situation of each volunteer, limiting the potential of enhancing effectiveness of the scheme. To overcome this challenge,

focused input of JOCV/SV in a pilot area with coordinators might be effective in enhancing their communication and coordination for the 'visible' outcomes.

### **6.2.3 Good Governance**

An aid coordination expert is currently assigned to the Ministry of Development Planning and Aid Coordination and engaged in donor coordination. She also works as liaison between the ODA Taskforce and the Solomon Islands Government, promoting the application process for Japan's ODA. Her work was highly evaluated by the Ministry in the interview.

### **6.2.4 Security (Disaster Prevention)**

Japan provided emergency aid to alleviate the damage caused by an earthquake which hit the New Georgia Islands located some 345 km northwest of Honiara and subsequent tsunami in April 2007. According to a government official, the Japanese aid played an important role in the timely post-disaster rehabilitation works.

### **6.2.5 People to People Communication and Exchange**

Through the exchange program of high school students between Japan and PIF member countries, five students and one teacher were invited to Japan from Solomon Islands. Since then, the student exchange through this program has not been implemented for Solomon Islands.

The dispatch of JOCV/SV to Solomon Islands marks the 30th anniversary next year. Up to the present (30th September 2008), 284 volunteers have been dispatched (32 volunteers from FY 2003 to FY 2007) and have contributed to the deepening of friendly relationship between Japan and Solomon Islands.

## **6.3 Appropriateness of the Process**

### **6.3.1 Formulation Process of Aid Policies for Solomon Islands**

As in the case of Fiji, no country assistance program has been formulated for Solomon Islands. While the priority sectors for assistance are in line with the Okinawa Initiative and Okinawa Partnership, the unique development needs of Solomon Islands are reflected in the ODA policy for the country. Notably, the idea of adding "rural development" to priority sectors was suggested by the ODA Taskforce based on the communication with the Solomon Islands Government.

### **6.3.2 Implementation Process**

#### **(1) Implementation System**

##### **(a) ODA Taskforce**

It is confirmed that there is close communication among the members of ODA Taskforce (the Embassy of Japan and JICA office). They have regular monthly meetings to share information while the division of work is properly done.

##### **(b) GGP and JOCV/SV**

For the implementation of GGP, it is confirmed that much effort has been made for assuring proper project cycle including monitoring and follow-up. However, if GGP is to be extended to rural areas or remote islands, the present implementation system should be strengthened to ensure proper project cycle management.

As for JOCV/SV, one Volunteer Coordinator is assigned for 20 volunteers (as of September 2008). In the interview with JOCV/SV, the difficulty of communication and coordination between volunteers due to their geographical remoteness was raised as an obstacle for their activities. Therefore, it is required to establish more efficient implementation system designed for the dispatch of JOCV/SV to rural areas or remote islands.

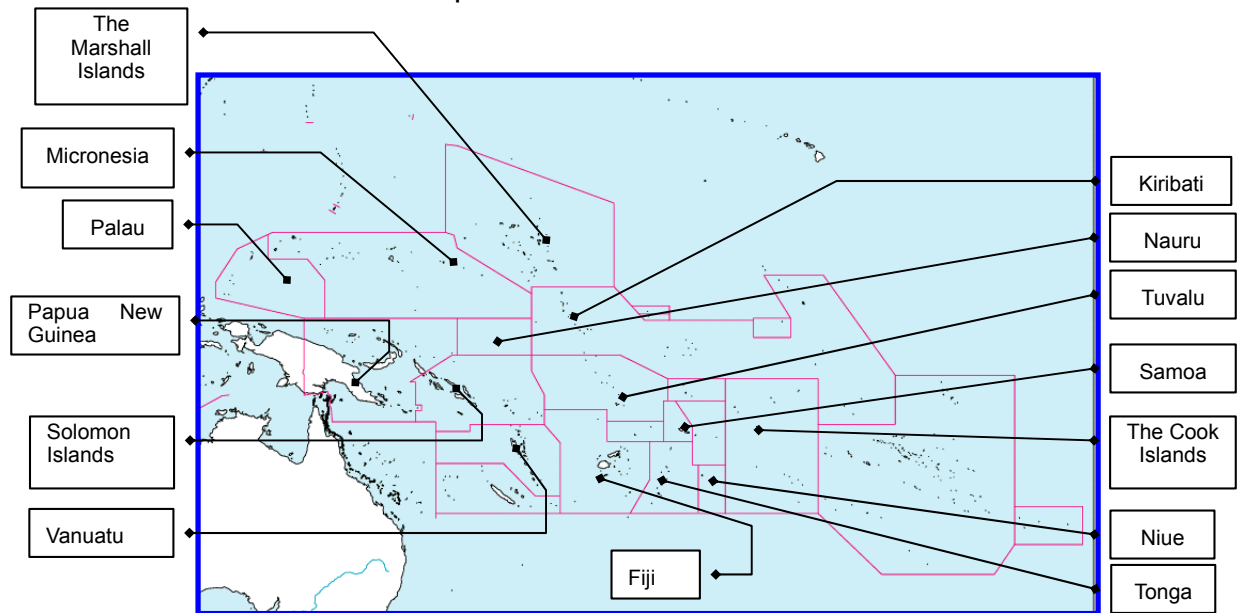
#### **(2) Project Formulation and Approval Process**

In the subject period of evaluation, no case is found where the request for Japan's ODA by the Solomon Islands Government significantly contradicts Japan's ODA policies. This indicates that Japan's ODA policies have been well informed to the government by the ODA Taskforce. As mentioned above, the expert assigned to the Ministry of Development Planning and Aid Coordination has played a significant role for the better understanding of Japan's ODA policies.

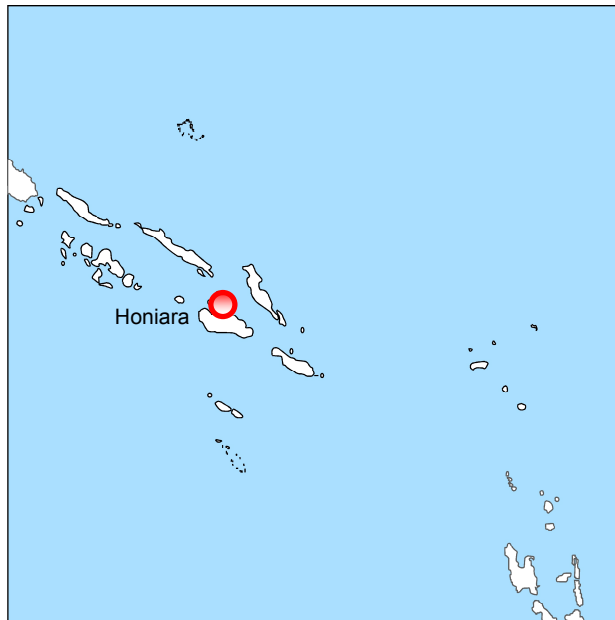
#### **(3) Coordination with Other Donors**

Compared to the situation of Fiji, the coordination effort in Solomon Islands is much more active. The ODA Taskforce members regularly attend the quarterly donor meetings and monthly donor coordination meetings organized by the Solomon Islands Government. Aid coordination in the form of sector-wide approach (SWAp) is taking place in the health and education sectors. At present, Japan has not been actively involved in the SWAp. Yet Japan's projects are incorporated into the government's sectoral development plans, and necessary exchange of information with other donors has been properly done to avoid aid duplication.

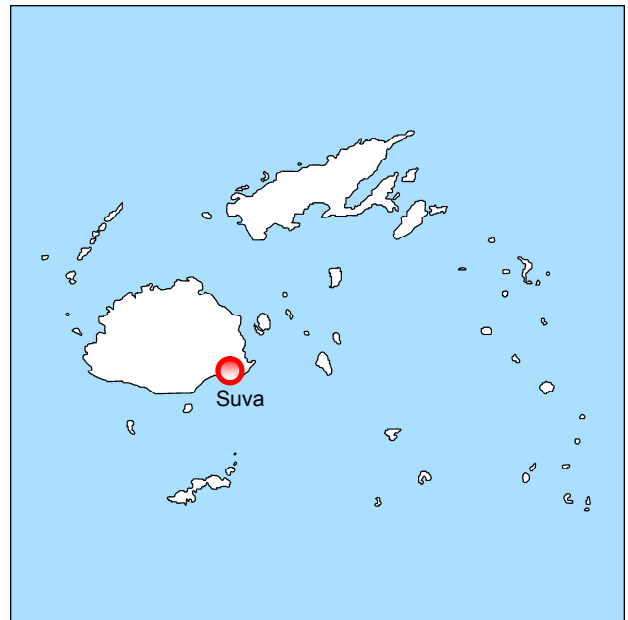
Map of Pacific Island Countries




Map of Solomon Islands



Map of Fiji



\*  refers to the capital.