

Third Party Evaluation Report 2014
Ministry of Foreign Affairs of Japan

Review of Japan's ODA Evaluations from FY 2003 to 2013

June 2014

International Development Center of Japan Inc.

Preface

This report under the title of Review of Japan's ODA Evaluations from FY 2003 to 2013 was undertaken by International Development Center of Japan Inc.(IDCJ), entrusted by the Ministry of Foreign Affairs (MOFA) in fiscal 2014.

Since its commencement in 1954, Japan's Official Development Assistance (ODA) has contributed to the development of partner countries and to finding solutions to international issues which vary with the times. Recently, more effective and efficient implementation of ODA has been required not only in Japan but also in the international community. MOFA has been conducting ODA evaluations every year mainly at the policy level with two main objectives: to improve the management of ODA; and to ensure its accountability. The evaluations are conducted by third parties to enhance their transparency and objectivity.

This evaluation study was conducted with the objectives of reviewing Japan's ODA Evaluations conducted by MOFA from the fiscal years 2003 to 2013 at the policy level. The Evaluation Team classified and systematized the recommendations and lessons learned from the ODA evaluations, and reviewed them from the viewpoint of Japan's ODA Charter to come up with recommendations for the planning and implementation of ODA policies in the coming years.

Ryokichi Hirono, Professor Emeritus of Seikei University served as a chief evaluator to supervise the entire evaluation process, and Izumi Ohno, Professor of the National Graduate Institute for Policy Studies (GRIPS) served as an advisor to share her expertise on ODA policies. Both have made enormous contributions from the beginning of this study to the completion of the report. In addition, in the course of this study, we have benefited from the cooperation of MOFA and the Japan International Cooperation Agency (JICA). We would like to take this opportunity to express our sincere gratitude to all who were involved in this study.

Finally, the Evaluation Team wishes to note that the opinions expressed in this report do not necessarily reflect the views or positions of the Government of Japan.

June 2014
International Development Center of Japan Inc.

Note: This English version of the Evaluation Report is a summary of the Japanese Evaluation Report of Review of Japan's ODA Evaluations from FY 2003 to 2013.

Review of Japan's ODA Evaluations from FY 2003 to 2013 (Brief Summary)

Evaluators (Evaluation Team)

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- Advisor: Izumi Ohno, Professor of the National Graduate Institute for Policy Studies
- Consultant: International Development Center of Japan Inc.

Period of the Evaluation Study April to June 2014

Background, Objectives and Scope of the Evaluation

In the light of the ongoing revision of Japan's Official Development Assistance (ODA) Charter, this evaluation study classifies and systematizes the results, recommendations and lessons learned from a series of ODA evaluations (country assistance evaluations and priority issue evaluations) conducted by the Ministry of Foreign Affairs of Japan (MOFA) from FY 2003 to 2013, and also reviews them from the viewpoint of the ODA Charter to come up with recommendations which will contribute to the revision of the ODA Charter as well as MOFA's consideration of the challenges and direction for future ODA evaluations.

Brief Summary of the Evaluation Results

(1) Classification and Systemization of the Evaluation Results

The evaluation results in Relevance of Policies are mostly classified as either "very high" (10%) or "high" (80%). In Effectiveness of Results, most of the evaluation results are classified as either "high" (54%) or "moderate" (40%). In Appropriateness of Processes, the evaluation results are classified as "very high" (3%), "high" (67%) and "moderate" (23%). In evaluation from diplomatic viewpoints, all of the applicable evaluation reports indicate that both the diplomatic importance and diplomatic impact of the relevant ODA policies were "recognized". Based on the timeline comparison it can be concluded that the general performance of Japan's ODA has improved.

(2) Classification and Systematization of the Recommendations and Lessons Learned

The leading categories for recommendations and lessons learned are "improvement of the aid process and implementation structure" and "improvement of the aid approach". Meanwhile, the most frequently addressed subcategories are "clarification of the strategy and priority", "strengthening of coordination with other actors", "introduction of a program approach", "other issues on improving aid policies", "improvement of monitoring and evaluation", "enhancement of ODA public relations" and "enhancement of the ODA Task Forces". When compared with the previous review conducted in FY 2009, the subcategory of "clarification of the strategy and priority" has maintained its top ranking position, while "strengthening of coordination with other actors" has jumped from 8th to 2nd.

(3) Review from the Viewpoint of Japan's ODA Charter

The leading categories for recommendations and lessons learned from this review from the viewpoint of Japan's ODA Charter are "system of formulation and implementation of ODA policy", "basic policies", "priority issues", "increasing public participation" and "matters essential to effective implementation". The most frequently addressed subcategories are "coherent formulation of ODA policy", "partnership and collaboration with the international community", "information disclosure and public relations", "strengthening of the functions of field missions in the policy-making process and in implementation" and "enhancement of evaluation".

Main Recommendations

(1) Recommendations for ODA Policies

(a) Further Clarification of the Aid Strategy and Policies:

There are many recommendations and lessons learned relating to the aid strategy and policies. It is highly desirable to further clarify Japan's aid strategy and policies by making

them concrete and with a clear message, as well as actively providing aid in those areas in which Japan excels. Indicators should be introduced where possible.

(b) Further Promotion of Collaboration and Coordination with the Private Sector and Other Actors:

The cooperation and collaboration with international organizations, local governments, private sector, universities and non-governmental organizations (NGOs) should be further enhanced. Special efforts should be made to further strengthen the collaboration with the private sector in particular. This should be clearly stated in ODA policies and a system to promote such collaboration and strengthening of the functions of field missions should be examined.

(c) Formulation of Aid Policies Corresponding to the Diversity of Partner Countries:

As the partner countries are diverse such as upper middle income countries, fragile and conflict-affected countries, etc., the aid policies should, where appropriate, clearly state responses and measures to deal with diverse issues beyond the mere development of the recipient countries. These measures include south-south cooperation, wide area development, economic partnership, peace-building and diplomatic importance.

(2) Recommendations for ODA Implementation

(a) Enhancement of Information Disclosure and Public Relations:

The implementation of more effective public relations activities for ODA are important to increase the recognition of Japan's ODA both in Japan and partner countries in the circumstances of the limited budget and manpower. Especially, innovative activities should be developed in accordance with the diverse conditions of the partner countries.

(b) Further Utilization of the ODA Evaluation Results:

For the strategic and effective implementation of ODA, the recommendations and lessons learned through this review should be utilized for the formulation and implementation of ODA policies in the coming years. It is also important to develop and strengthen a mechanism which ensures the incorporation of individual ODA evaluation results and recommendations in forthcoming ODA projects. This will be the key for making the PDCA cycle (Plan-Do-Check-Act) functions successfully.

(3) Recommendations for the ODA Evaluation Methodology

(a) Clarification of the Evaluation Results:

The implementation of rating in the evaluation from development viewpoints should be adopted in principle to present the evaluation results in a much clearer manner. With Effectiveness of Results, setting indicators should be promoted to enable verification of the policy effects in its outcomes in addition to the outputs.

(b) Implementation of Well-Balanced Evaluation:

Considering the budget constraint of ODA evaluation, well-balanced evaluation should be sought by means of enhancing the evaluation of Effectiveness of Results and other aspects of evaluation while reviewing those evaluation items which appear to have lost their substance. Well-balanced evaluation also incorporates such new viewpoints as the comparative advantage of Japan, diverse coordination with other actors and unique objectives to reflect the diversity of the partner countries.

(c) Enhancement of Evaluation from Diplomatic Viewpoints:

As the importance of "evaluation from diplomatic viewpoints" is expected to steadily increase in the coming years, more detailed guidance on this type of evaluation should be given in the ODA Evaluation Guidelines.

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Chapter 1 Implementation Policy of the Review

1.1 Background and Objectives of the Review

For the Japan's Official Development Assistance (ODA), there have been domestic and international calls for the high quality, effective and efficient implementation as the main pillar of Japan's contribution to the international community. In response, the Ministry of Foreign Affairs of Japan (MOFA) has been striving to further enhance Japan's ODA through ODA evaluations since 1981. The policy-level evaluations have derived wide-ranging recommendations and lessons learned. A periodic review of them is highly effective so that the said recommendations and lessons learned can be effectively utilized for Japan's ODA in future. The previous review of this nature was conducted in FY 2009.

The year of 2014 is the 60th anniversary of the commencement of Japan's ODA. Japan's ODA Charter was originally approved by the Cabinet in 1992 and revised in 2003. The ODA Charter has played an important role as a document which forms the foundation for Japan's ODA policies. More than 10 years have elapsed since the last revision and both Japan and the international community have undergone profound changes in this period. As the roles to be played by ODA have been changing in diverse ways, in March, 2014 MOFA announced the revision of the present ODA Charter to establish a new charter.

Under these backgrounds, this Review has been implemented to classify and systematize those recommendations and lessons learned mentioned in the reports of ODA evaluations (policy-level evaluations: country assistance evaluations and priority issue evaluations) conducted by MOFA from FY 2003 to 2013. Moreover, the results of these past evaluations have also been reviewed from the viewpoint of the ODA Charter to come up with recommendations which will contribute to the revision of the ODA Charter as well as MOFA's consideration of the challenges and direction for future ODA evaluations. The principal purposes of this Review are as follows;

- (1) To review the results of ODA evaluations in the past to classify and systematize the recommendations and lessons learned so that they can be effectively utilized for Japan's ODA in the coming years
- (2) To show the issues and direction for future ODA evaluations conducted by MOFA
- (3) To show the recommendations on new viewpoints concerning the formulation and implementation of ODA policies

1.2 Scope of the Review

The subjects of this Review are ODA evaluations conducted by MOFA from FY 2003 to 2013. 67 policy-level evaluation reports were reviewed, consisting of 48 country assistance evaluations (45 countries and areas) and 19 priority issue evaluations. As three country assistance evaluations analysed two countries separately, these were reviewed on a country basis, bringing the total number of subject evaluations to 70. Table 1-1 lists these subject evaluations while Table 1-2 through Table 1-4 classify the evaluations by region, sector and status in Japan's ODA, etc. respectively.

Table 1-1 : List of Subject Evaluations of the Review

No	Name of Evaluation Report	Year	No	Name of Evaluation Report	Year
Country Assistance Evaluation (48 reports)					
1	India	2003	25	Ecuador	2008
2	Indonesia	2003	26	Pacific Island Countries (*)	2008
3	Pakistan	2003	27	Romania and Bulgaria (*)	2008
4	Jordan	2003	28	Turkey	2008
5	Laos	2004	29	Bangladesh	2009
6	Uzbekistan and Kazakhstan (*)	2004	30	Ethiopia	2009
7	Ethiopia	2004	31	India	2009
8	Bangladesh	2004	32	Brazil	2009
9	Cambodia	2005	33	Ghana	2009
10	Kenia	2005	34	Philippines	2010
11	Tanzania	2005	35	Malaysia	2010
12	Senegal	2005	36	Egypt	2010
13	Zambia	2006	37	Bolivia	2010
14	Bhutan	2006	38	Uganda	2010
15	Vietnam	2006	39	Thailand	2011
16	Madagascar	2006	40	Peru	2011
17	Morocco	2006	41	Transition to a Market-oriented Economy in Three Central Asian Countries (Republic of Kazakhstan, Kyrgyz Republic, Republic of Uzbekistan)	2011
18	Indonesia	2007	42	Nepal	2012
19	Sri Lanka	2007	43	Cuba	2012
20	Tunisia	2007	44	The Palestinian Territories	2012
21	Nicaragua	2007	45	Malawi	2012
22	Mongolia	2007	46	Colombia	2013
23	China	2007	47	Laos	2013
24	Mozambique	2008	48	Sri Lanka	2013
Priority Issues Evaluation (19 reports)					
49	Okinawa Infectious Disease Initiative (IDI) (Philippines, Thailand, Ethiopia, Kenya)				2003
50	Evaluation of Japan's Anti-personnel Mine Action Assistance Policy (Cambodia)				2004
51	Mid-term Evaluation on Japan's Contribution to the Achievement of the MDGs in the Area of Health (Philippines)				2004
52	Mid-term Evaluation on Japan's Contribution to the Achievement of the MDGs in the Area of Education (Vietnam)				2004
53	Evaluation on Japan's ODA Contribution to Poverty Reduction –Vietnam and Ethiopia as Cases				2005
54	Evaluation of Japan's Peacebuilding Assistance Policy –A Case Study: Afghanistan				2005
55	Evaluation of Japan's ODA for Agriculture and Rural Development (Thailand)				2006
56	Evaluation on Japan's Assistance for Forest Conservation and its Contribution to Global Issues (India and China)				2006
57	Evaluation on Japan's Support for Regional Cooperation –A Case Study of Central America (El Salvador and Honduras)				2006
58	Evaluation of Japanese Assistance to Africa through the TICAD Process (Uganda and Kenya)				2007
59	Evaluation of Japanese Educational Cooperation Policy "Basic Education for Growth Initiative (BEGIN) (Kenia and Ethiopia)				2007
60	Evaluation of Japan's Assistance in Response to Tsunami Disaster				2008
61	Evaluation of Japan's ODA in the Health Sector				2008
62	Evaluation of "Initiative for Japan's ODA on Water" and "Water and Sanitation Broad Partnership Initiative (WASABI)				2008
63	Evaluation of Assistance for Peace-Building				2010
64	Evaluation of Aid for Trade				2011
65	Evaluation of Japan's Assistance for Policies and Institutions that Promote Gender Equality				2012
66	Evaluation of Triangular Cooperation				2012
67	Evaluation of Japan Disaster Relief Team				2013

Note: As each of those reports marked with (*) analysed two countries separately, they are treated as one country each in this Review. The subject number of countries for country assistance evaluation becomes 51 out of 48 country assistance evaluation reports.

Source: Prepared by the Evaluation Team.

Table 1-2 : Classifications of Country Assistance Evaluations by Region

Region	Number of Countries/ Reports (Evaluation Cases)	Subject Country/Area for Country Assistance Evaluation
East Asia	9 Countries in 11 Reports (11 Evaluation Cases)	Indonesia (2003, 2007), Laos (2004, 2013), Cambodia (2005), Vietnam (2006), Mongolia (2007), China (2007), Philippines (2010), Malaysia (2010), Thailand (2011)
South Asia	6 Countries in 9 Reports (9 Evaluation Cases)	India (2003, 2009), Pakistan (2003), Bangladesh (2004, 2009), Bhutan (2006), Sri Lanka (2007, 2013), Nepal (2012)
Central Asia & Caucasus	3 Countries in 2 Reports (3 Evaluation Cases)	Uzbekistan/Kazakhstan (2004), three Central Asian countries (Uzbekistan; Kazakhstan, Kyrgyzstan) (2011)
Middle East & North Africa	6 Countries/Areas in 6 Reports (6 Evaluation Cases)	Jordan (2003), Morocco (2006) Tunisia (2007), Turkey (2008), Egypt (2010), The Palestinian Territories (2012)
Sub-Saharan Africa	10 Countries in 11 Reports (11 Evaluation Cases)	Ethiopia (2004, 2009), Kenya (2005), Tanzania (2005), Senegal (2005), Zambia (2006), Madagascar (2006), Mozambique (2008), Ghana (2009), Uganda (2010), Malawi (2012)
Latin America	7 Countries in 7 Reports (7 Evaluation Cases)	Nicaragua (2007), Ecuador (2008), Brazil (2009), Bolivia (2010), Peru (2011), Cuba (2012), Colombia (2013)
Pacific	2 Countries in 1 Report (2 Evaluation Cases)	Pacific Island Countries (Fiji, Solomon Islands) (2008)
Europe	2 Countries in 1 Report (2 Evaluation Cases)	Rumania/ Bulgaria (2008)
Total	45 Countries/Areas in 48 Reports (51 Evaluation Cases)	

Note 1: Figures in parenthesis indicate the fiscal year in which evaluation took place.

Note 2: Although the number of reports reviewed here is 48, the total number of countries is listed as 45 in the table, as some countries were subjected to more than one evaluation and that more than one country were subjected to a single evaluation. The total number of evaluation cases reviewed is 51.

Source: Prepared by the Evaluation Team by using the MOFA ODA Website.

Table 1-3 : Classification of Priority Issue Evaluations by Sector

Sector	Priority Issue Evaluation	
Poverty Reduction	-	• Evaluation of Japan's Contribution to Poverty Reduction: Vietnam and Ethiopia (2005)
	Education	• Mid-Term Evaluation of Japan's contribution to the Achievement of the MDGs in the Area of Education (Vietnam)(2004) • Evaluation of Basic Education for Growth Initiative (BEGIN) (Kenya, Ethiopia)(2007)
	Health and Population	• Mid-Term Evaluation of Okinawa Infectious Diseases Initiative(IDI)(Philippines, Thailand, Ethiopia, Kenya)(2003) • Mid-Term Evaluation on Japan's Contribution to the Achievement of the MDGs in the Area of Health (Philippines)(2004) • Evaluation of Japan's ODA in the Health Sector (2008)
	Water and Sanitation	• Evaluation of the Initiative for Japan's ODA on Water and Water and Sanitation Broad Partnership Initiative (2008)
	Agriculture and Rural Development	• Evaluation of Japan's ODA for Agriculture and Rural Development (Thailand) (2006)
Sustainable Growth	-	• Evaluation of Aid for Trade (2011)
Global Issues	Environment	• Evaluation of Japan's Assistance for Forest Conservation and Its Contribution to Global Issues (Environment, Forest Conservation) (India, China) (2006)
	Disaster Prevention	• Evaluation of Japan's Assistance in Response to Tsunami Disaster (2008) • Evaluation of the Initiative for Disaster Reduction through ODA (2013)
Peace-Building	Conflict and Development	• Evaluation of Japan's Anti-personnel Mine Action Assistance Policy (Cambodia) (2004) • Evaluation of Japan's Peacebuilding Assistance Policy (Afghanistan)(2005) • Evaluation of Assistance for Peace-Building (2012)
Cross-Sectoral Basic Policy	Gender	• Evaluation of Japan's Assistance for Policies and Institutions that Promote Gender Equality (2012)
	-	• Evaluation of Japan's Support for Regional Cooperation - A Case Study of Central America – (El Salvador, Honduras) (2006) • Evaluation of Japan's ODA on Consolidation of Peace and Security in Africa in Relation to TICAD IV (Uganda, Kenya)(2007) • Evaluation of Triangular Cooperation (2012)

Note 1: Figures in parenthesis indicate the fiscal year in which evaluation took place.

Note 2: The list only features sectors in which priority issue evaluations took place in the subject fiscal years.

Source: Prepared by the Evaluation Team by using "Development Policies by Sector" pages on MOFA Website.

As shown in Table 1-4, Japan was in the top five bilateral donors among 32 countries and outside the top five donors among 11 countries/areas in the period from FY 2009 to 2011 of the 45 subject countries/areas, excluding two countries which could no longer be classified because of their graduation from the Organization for Economic Cooperation and Development (OECD) –Development Assistance Committee (DAC) list. 13 countries were classified in the category of either an upper middle income country or non-subject country for ODA.

The environment for ODA implementation is assumed to be tougher in both countries experiencing post-conflict instability and fragile countries defined by the World Bank, etc. compared to ordinary developing countries because of security concerns, insufficient governance and inferior socioeconomic index values. As it was thought that the ODA evaluation results for these countries could show different tendencies from those for other countries, Table 1-4 lists conflict-affected and fragile countries in a separate category. Seven countries and one area fall in this category. Conflict-affected countries which have received Japan’s ODA include Iraq, Afghanistan, East Timor and some Balkan states as well as sub-Saharan countries which have experienced conflict. It must be noted that although some of these countries have been featured in priority issue evaluations in reference to peace-building, they are not included in the scope of this Review due to the absence of any country assistance evaluations featuring them.

Table 1-4 : Classification of Subject Countries for Past ODA Evaluation Based on Actual ODA Performance and Development Level

(1) Countries for which Japan was in the Top 5 bilateral donors (FY 2009 - 2011) (32 Countries, 37 Evaluation Cases)(Note 1)	Indonesia, Laos, Cambodia, Vietnam, Mongolia, Philippines, China, Malaysia, India, Pakistan, Bhutan, Sri Lanka, Nepal, Kazakhstan, Uzbekistan, Kyrgyzstan, Morocco, Tunisia, Turkey, Uganda, Ethiopia, Tanzania, Zambia, Senegal, Madagascar, Malawi, Cuba, Nicaragua, Brazil, Bolivia, Fiji, Solomon Islands
(2) Countries for which Japan was not in the top 5 bilateral donors (FY 2009 - 2011) (11 Countries/ Areas, 12 Evaluation Cases)	Bangladesh, Thailand, Egypt, The Palestinian Territories, Jordan, Kenya, Mozambique, Ghana, Ecuador, Peru, Colombia
(3) Upper middle-income countries and non-subject countries for Japan’s ODA (FY 2011 Results) (13 Countries, 13 Evaluation Cases) (Note 2)	China, Malaysia, Thailand, Kazakhstan, Jordan, Tunisia, Turkey, Cuba, Colombia, Brazil, Peru, <u>Romania, Bulgaria</u>
(4) Fragile and conflict-affected countries (8 Countries/Areas, 10 Evaluation Cases) (Note 3)	<u>Laos, Cambodia, Sri Lanka, Mozambique, Solomon Islands, Nepal, The Palestinian Territories, Colombia</u>

Note 1: Based on OECD-DAC data specifying the net amount of disbursement. All countries among the top 5 even in a single fiscal year are listed. The data for Romania and Bulgaria for FY 2005 onwards is not included in the said OECD-DAC data because of their graduation from the DAC list. As such, they do not fall in the category of (1) or (2) in the table.

Note 2: Based on the OECD-DAC classification. Those underlined are non-subject countries for ODA (graduated countries). Those not underlined are upper middle income countries.

Note 3: Fragile and conflict-affected countries are either countries listed at least twice in the Fragile and Conflict-Affected State List of the World Bank for 2006 through 2012 (The list consists of: 1) A country of which the average evaluation score under the Country Policy and Institutional Assessment (CPIA) scheme (designed to assess the quality of a country’s present policy and institutional framework in economic management, structural policies, policies for social inclusion/equity and public sector management and institutions) of the World Bank is 3.2 or lower and which is subject to assistance by the International Development Association (IDA); and 2) A country which has appeared in either the list of countries where peacekeeping operations (PKO) by the UN or a regional organization are in progress or the list of countries subject to a peacebuilding mission in the last three years) or countries which are judged to have been affected throughout their territory by a conflict of countries/areas cited as an example in the JICA’s Thematic Guidelines on Peacebuilding as a country to which the said guidelines are applicable. The countries underlined only appear in the list of fragile states. Those marked by a wavy line appear on the list of fragile states as well as the list of conflict-affected states. Those which are not underlined only appear on the list of conflict-affected countries.

Source: Prepared by the Evaluation Team by using MOFA, "Japan's ODA Data by Country 2013"; JICA, "Thematic Guidelines on Peacebuilding", 2009; Independent Evaluation Group, World Bank, IFC, MIGA. "World Bank Group Assistance to Low-Income Fragile and Conflict-Affected States: An Independent Evaluation" Dec 2013.

1.3 Methodology of the Review

This Review was implemented from April to June, 2014. During this period, the Evaluation Team held three consultation meetings with the participation of staff members of MOFA and Japan International Cooperation Agency (JICA).

The Review involved such work as (1) review of ODA evaluations in the past and (2) classification and systemization of the recommendations and lessons learned. After summarizing the results of the above work, the Evaluation Team then compiled (i) recommendation for the improvement of ODA evaluation and ODA policies in the coming years and (ii) a collection of lessons learned and good examples. The details of each work are described as follows;

(1) Review of ODA Evaluations in the Past

(a) Classification and Systemization of the Evaluation Results

In ODA evaluations conducted by MOFA, "rating" of evaluation results has been introduced since FY 2011 on a trial basis. In order to analyse the evaluation results in each report on the same grounds, including those conducted before the introduction of rating, the Evaluation Team rated the evaluation results for three evaluation categories from the development viewpoints (Relevance of Policies, Effectiveness of Results and Appropriateness of Processes) in each report as well as their subcategories using the set criteria developed for this Review. The rating items and their criteria were defined in detail prior to the commencement of the work and the relevant contents based on the text in each report were identified for rating purposes.

(b) Review from the Viewpoint of Japan's ODA Charter

The ODA evaluations in the past were examined to check whether or not analysis was conducted in correspondence with "basic policies", "priority issues", "priority regions" and "formulation and implementation of ODA policy" of the ODA Charter. When the analysis was found to have been conducted in a manner comparable to the ODA Charter, the results were rated using the set criteria for tallying and analysis as in the case of the work for "the classification and systemization of evaluation results". The subject items for analysis are listed in Table 1-5.

(2) Classification and Systemization of the Recommendations and Lessons Learned

(a) Review of the Recommendations and Lessons Learned

The Evaluation Team classified the recommendations and lessons learned mentioned in the reports of past 70 ODA evaluations in categories and subcategories to analyse the general tendencies. The previous review in FY 2009 featuring policy-level evaluations from FY 2000 to 2007 developed the categories and subcategories for the

recommendations and lessons learned. Some additions and modifications were made for use in this Review.

(b) Review from the Viewpoint of Japan's ODA Charter

The recommendations and lessons learned in the reports of past 70 ODA evaluations were classified with reference to the contents of the ODA Charter. The subject items for analysis are listed in Table 1-5.

Table 1-5 : Comparison Table of the Contents of Japan's ODA Charter and Evaluation Criteria in Japan's ODA Evaluation Reports

The Content of Japan's Official Development Assistance Charter	Evaluation Criteria in Japan's ODA Evaluation Reports	The Content of Japan's Official Development Assistance Charter	Evaluation Criteria in Japan's ODA Evaluation Reports
I. Philosophy		II. Principle of ODA Implementation	Not subject to analysis
1. Objectives		III. Formulation and Implementation of ODA Policy	
2. Basic Policies		1. System of Formulation and Implementation of ODA Policy	
(1) Supporting self-help efforts of developing countries	Relevance of Policies/ Recommendations and Lessons Learned	(1) Coherent formulation of ODA policy	Recommendations and Lessons Learned
(2) Perspective of "Human Security"	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	(2) Collaboration among related government ministries and agencies	Appropriateness of Processes/ Recommendations and Lessons Learned
(3) Assurance of fairness	Relevance of Policies/ Recommendations and Lessons Learned	(3) Collaboration between government and implementing agencies	Appropriateness of Processes/ Recommendations and Lessons Learned
(4) Utilization of Japan's experience and expertise	Relevance of Policies/ Appropriateness of Processes/ Recommendations and Lessons Learned	(4) Strengthening of policy consultation	Recommendations and Lessons Learned
(5) Partnership and collaboration with the international community	Relevance of Policies/ Recommendations and Lessons Learned	(5) Strengthening of the functions of field missions in the policy-making process and in implementation	Appropriateness of Processes/ Recommendations and Lessons Learned
3. Priority Issues		(6) Collaboration with aid-related entities	Appropriateness of Processes/ Recommendations and Lessons Learned
(1) Poverty reduction	Effectiveness of Results/ Recommendations and Lessons Learned	2. Increasing Public Participation	
(2) Sustainable growth	Effectiveness of Results/ Recommendations and Lessons Learned	(1) Broad participation by Japanese citizens from all walks of life	Recommendations and Lessons Learned
(3) Addressing global issues	Effectiveness of Results/ Recommendations and Lessons Learned	(2) Human resource development and development research	Recommendations and Lessons Learned
(4) Peace-building	Effectiveness of Results/ Recommendations and Lessons Learned	(3) Development education	Recommendations and Lessons Learned
4. Priority Regions		(4) Information disclosure and public relations	Appropriateness of Processes/ Recommendations and Lessons Learned
(1) Asia: to strategically prioritize assistance	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	3. Matters Essential to Effective Implementation	
(2) East Asia: to strengthen economic partnership with Japan and rectify disparities in the region	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	(1) Enhancement of evaluation	Appropriateness of Processes/ Recommendations and Lessons Learned
(3) South Asia: to give due consideration to the large population of impoverished people	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	(2) Ensuring appropriate procedures	Recommendations and Lessons Learned
(4) Central Asia: to promote democratization and transition to market economies	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	(3) Prevention of fraud and corruption	Recommendations and Lessons Learned
(5) Africa: to provide assistance to self-help efforts	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	(4) Ensuring the safety of ODA personnel	Recommendations and Lessons Learned
(6) Middle East: to provide assistance towards social stability and the consolidation of peace	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	IV. Reporting on the Status of Implementation of the Official Development Assistance Charter	
(7) Latin America: to provide assistance to take into consideration the disparities arising within the region	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned	Not subject to analysis	
(8) Oceania: to provide assistance to take into consideration the vulnerable island nations	Relevance of Policies/ Effectiveness of Results/ Recommendations and Lessons Learned		

Source: Prepared by the Evaluation Team based on Japan's ODA Charter published by MOFA.

Chapter 2 Review of ODA Evaluations in the Past

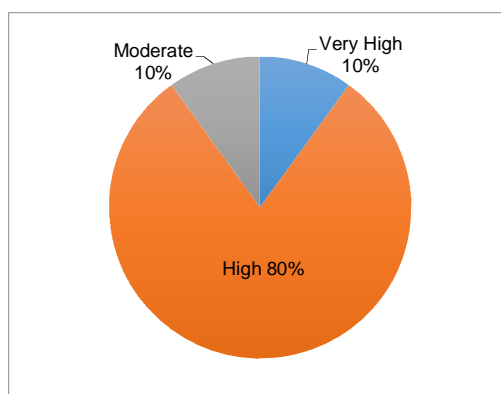
2.1 Results of the Review of Past Evaluation Reports

The Evaluation Team analysed the past ODA evaluation reports in reference to (i) their evaluation results relating to the three criteria from the development viewpoints, i.e. Relevance of Policies, Effectiveness of Results and Appropriateness of Processes, (ii) their evaluation results from diplomatic viewpoints and (iii) the recommendations and lessons learned in these reports.

(1) Relevance of Policies

In Relevance of Policies, 90% of the evaluation results are classified as either “very high” or “high” as shown in Fig. 2-1. Many of the reports did not analyse the subcategory of strategic selectivity (concentration in core competence). When this subcategory was analysed, the evaluation result tended to be lower than the results for the other subcategories.

Fig. 2-1 : Evaluation Results for Relevance of Policies

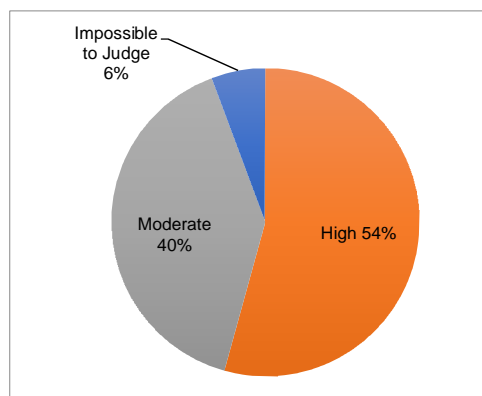


Source: Prepared by the Evaluation Team based on the analysis results.

(2) Effectiveness of Results

In Effectiveness of Results, the absence of indicators appears to be partly responsible for the analysis results. Because of the averaging of varying evaluation results of aid projects, the overall evaluation results for this category are mostly classified as “high” (54%) or “moderate” (40%) as shown in Fig. 2-2, producing no distinctive tendency. The evaluation result of “very high” was often recorded for infrastructure projects.

Fig. 2-2 : Evaluation Results for Effectiveness of Results

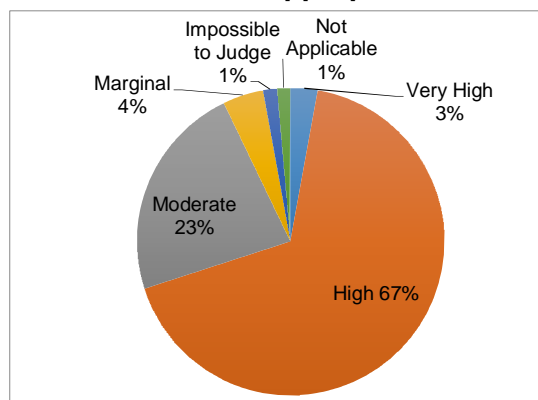


Source: Prepared by the Evaluation Team based on the analysis results.

(3) Appropriateness of Processes

In Appropriateness of Processes, 70% of the evaluation results are classified as either “very high” or “high” as shown in Fig. 2-3. However, 27% of them are classified as “moderate” or “marginal”, pointing out some shortcomings. Among the relevant subcategories, the evaluation results for those related to the ODA implementation structure are lower than those for other subcategories.

Fig. 2-3 : Evaluation Results for Appropriateness of Processes



Source: Prepared by the Evaluation Team based on the analysis results.

(4) Evaluation from Diplomatic Viewpoints

Of the 70 subject ODA evaluations, 26 include analysis of the diplomatic importance and 22 include analysis of the diplomatic impacts, as evaluation from diplomatic viewpoints has been introduced since FY 2011. Although the number of reports including evaluation from diplomatic viewpoints is small, both the diplomatic importance and diplomatic impacts are “recognized” in most of these reports and no evaluation case is rated “not recognized”.

(5) Timeline Comparison

The timeline comparison of the evaluation results for FY 2003 through 2007 and those for FY 2008 through 2013 shows a general improvement of Japan's ODA. Relevance of Policies has improved, Effectiveness of Results has widely improved and Appropriateness of Processes has remained steady.

(6) Recommendations and Lessons Learned

The Evaluation Team firstly classified the recommendations and lessons learned in five categories. The most frequently mentioned categories were found to be "improvement of the aid process and implementation structure" (36.3%) and "improvement of the aid approach" (35.5%). By subcategory, "clarification of the strategy and priority" (18%) is the most frequently mentioned strategy, followed by "strengthening of coordination with other actors"¹, "introduction of a program approach" (both 8%), "other issues on improving aid policies", "improvement related to monitoring and evaluation" (both 6%), "enhancement of ODA public relations" and "enhancement of the ODA Task Forces" (both 5%) (see Table 2-1). Among these popular subcategories, "strengthening of the coordination with other actors" had increased the number of relevant recommendations and lessons learned as well as their share from those in the 2009 Review (see Table 2-2).

Comparison of the evaluation results between those for FY 2003 through 2007 and those for FY 2008 through 2013 clearly shows an overwhelming number of recommendations and lessons learned relating to "clarification of the strategy and priority" throughout these two periods regardless of the region. This emphasis on strategy indicates that Japan's ODA tends to be evenly distributed throughout the sector with a lack of a strong message. Frequent recommendations for "the introduction of a program approach" can be interpreted as being linked to the absence of a coherent strategy.

¹ Other actors mean such entities which are not directly in charge of Japan's ODA as international organizations, local governments, private companies, universities and NGOs.

Table 2-1 : Number of Recommendations and Lessons Learned by Subcategory and Its Share (Total Number: 515)

Category	Subcategory	Ratio	Frequency
1. Improvement of Aid Approach	1-1. Clarification of strategy and priority	18%	91
	1-2. Introduction of program approach	6%	31
	1-3. Positive response to donor coordination	3%	18
	1-4. Promoting consultation and partnership with the counterpart	3%	13
	1-5. Other aid approach	6%	30
2. Improvement of Aid Tool (aid scheme)	2-1. Input of high-level policy advisor	0%	1
	2-2. Addressing the "common basket" and financial support	2%	10
	2-3. Utilization and cultivation of experts, senior volunteers and Japan Overseas Cooperation Volunteers (JOCV)	2%	8
	2-4. Utilization of south-south cooperation	3%	16
	2-5. Utilization of grass-roots grant aid and grass-roots technical cooperation	2%	11
	2-6. Improvement of grant aid, loan, and technical cooperation aid schemes	2%	10
	2-7. Improvement of other aid tools	2%	9
3. Improvement of Aid Process and Implementation Framework	3-1. Recommendations on enhancement of the local ODA taskforce	5%	24
	3-2. Enhancement of the organizational structure of and delegation of authority to embassies and implementing bodies	3%	15
	3-3. Enhancement of MOFA organizational structure / strengthening of the cooperation with aid implementing bodies	1%	5
	3-4. Recommendations related to enhancement of the ODA public relations	5%	28
	3-5. Improvement of related to monitoring and evaluation	6%	29
	3-6. Improvement on predictability, transparency and openness of Japan's ODA	2%	9
	3-7. Enhancement of policy consultations with counterpart governments	1%	7
	3-8. Attention to various aspects while formulating aid plan	1%	6
	3-9. Strengthening collaboration with other actors	8%	41
	3-10. Upgrading and improving implementation guidelines and manuals	0%	2
	3-11. Sharing aid know-how and information	3%	13
	3-12. Other aid implementation processes and implementing framework	2%	8
4. Improvement of aid policy for each sector	4-1. Economic infrastructure	1%	7
	4-2. Education	1%	5
	4-3. Health and infectious disease measures	2%	11
	4-4. Environment conservation and global warming measures	1%	7
	4-5. Disaster prevention	2%	8
	4-6. Agriculture and rural development	1%	6
	4-7. Industrial development	1%	5
	4-8. Assistance for local NGO	0%	0
	4-9. Tourism	0%	1
	4-10. Governance (support for democratization, and institutionalization)	2%	9
	4-11. Support for social security system and socially vulnerable	0%	2
	4-12. Other sectors	3%	16
5. Recommendations for individual projects		1%	3

Source: Prepared by the Evaluation Team based on the analysis results.

Table 2-2 : Comparison of Top Subcategories for Recommendations and Lessons Learned between the 2009 Review and this Review

The 2009 Review (Total number : 412)			This Review (Total number : 515)		
Subcategory	Numbers	%	Subcategory	Numbers	%
Clarification of strategy and priority	88	21	1-1. Clarification of strategy and priority	91	18
Improvement of Monitoring and Evaluation	38	9	3-9. Strengthening of coordination with other actors	41	8
Positive response to donor coordination	31	8	1-2. Introduction of a program approach	31	6
Recommendations for individual projects	31	8	1-5. Other issues on improving aid policies	30	6
Introduction of a program approach	23	6	3-5. Improvement of Monitoring and Evaluation	29	6
Enhancement of the ODA Task Forces	20	5	3-4. Enhancement of ODA public relations	28	5
Enhancement of ODA public relations	19	5	3-1. Enhancement of the ODA Task Forces	24	5
Strengthening of coordination with other actors	15	4	1-3. Positive response to donor coordination	18	3
			2-4. Utilization of south-south cooperation	16	3

Source: Prepared by the Evaluation Team based on the Report "Review of Japan's ODA Evaluations Between FY 2000-2007" (FY 2009) and the analysis results for the present Review.

2.2 Results of the Review from the Viewpoint of Japan's ODA Charter

Review from the viewpoint of Japan's ODA Charter analysed how the subject ODA evaluations in the past had analysed and evaluated Relevance of Policies, Effectiveness of Results and Appropriateness of Processes in reference to the issues mentioned in the ODA Charter. The recommendations and lessons learned in the subject ODA evaluations in the past were also analysed by category/subcategory used in the ODA Charter.

(1) Relevance of Policies

In Relevance of Policies, this Review basically confirmed the consistency of past aid policies with such subcategories of the basic policies in the ODA Charter as “perspective of ‘human security’”, “assurance of fairness”, “supporting self-help efforts of developing countries”, “partnership and collaboration with the international community” and “utilization of Japan's experience and expertise” in that order. While timeline analysis of the evaluation results basically supports the continued consistency of aid policies with the basic policies of the Charter, it is interesting to see that the consistency with the subcategory of “the utilization of Japan's experience and expertise” significantly increased from 14% to 40% of the evaluation cases. The recent trend of increasing public-private partnerships may have played a role in the growing utilization of Japan's experience and expertise.

(2) Effectiveness of Results

In Effectiveness of Results, the country assistance evaluation results show few timeline changes for such somehow orthodox development sectors as “socioeconomic infrastructure” and “agriculture and rural development” which have been producing steadily results. The growing trend of commending Effectiveness of Results in such sectors as “education” and “health” in recent years is interesting as it suggests a link with the emergence of the positive results of poverty reduction efforts.

(3) Appropriateness of Processes

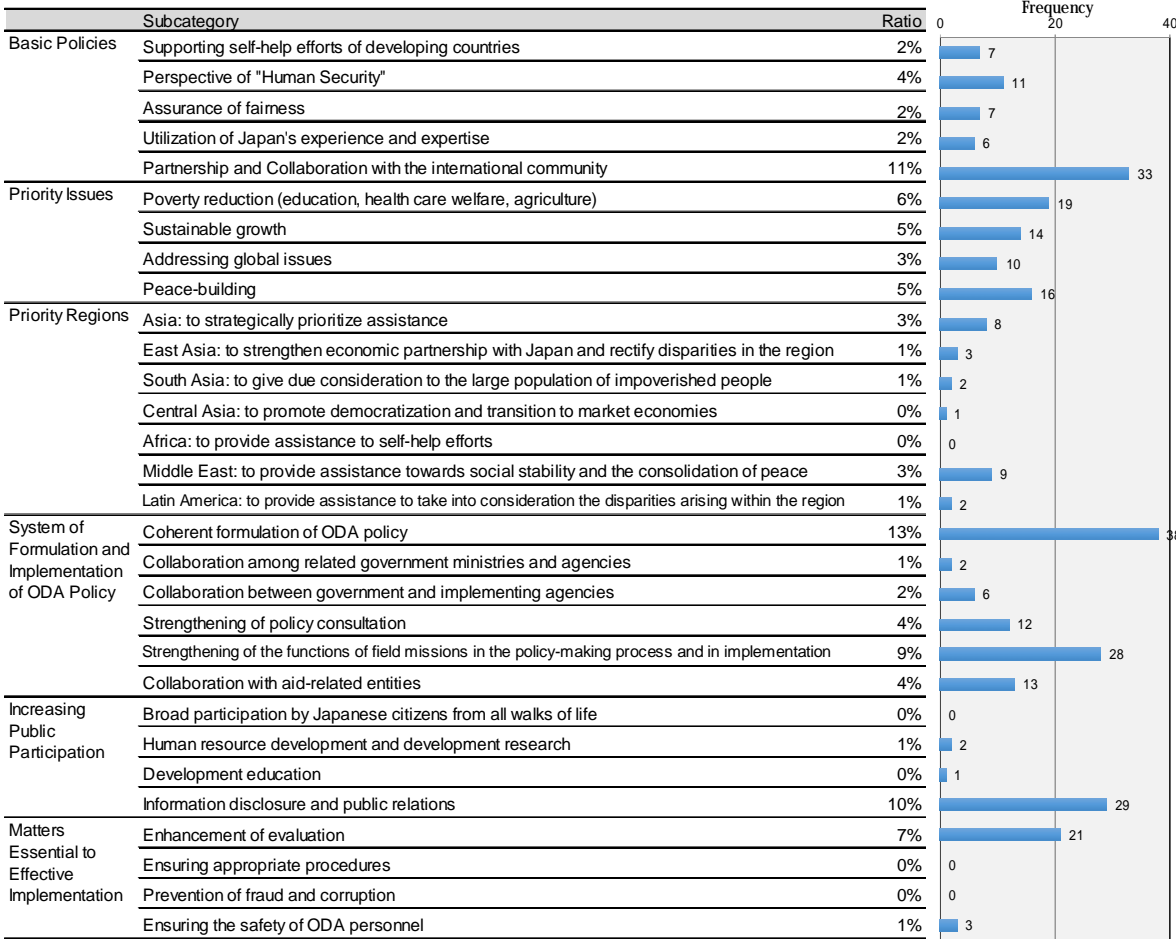
In Appropriateness of Processes, the result was relatively higher in East Asia where countries have rich experience of receiving ODA, compared to South Asia and Africa. The high level of recognized appropriateness of “collaboration between government (of Japan) and implementing agencies” can probably be attributed to the launch of the newly reorganized JICA in 2008. Appropriateness of “collaboration with aid-related entities”, “information disclosure and public relations” and “enhancement of evaluation” has partially improved but the continuous enhancement of these efforts is required.

(4) Recommendations and Lessons Learned

Analysis of the recommendations and lessons learned in the past ODA evaluations from the viewpoint of Japan's ODA Charter shows that the category of “formulation and implementation of ODA policy” attracted the largest number of recommendations and lessons learned, followed by “basic policies”, “priority issues”, “increasing public

participation”, “priority regions” and “matters essential to effective implementation” in that order. By subcategory, the most frequently referred subcategory is “coherent formulation of ODA policy”, followed by “partnership and collaboration with the international community”, “information disclosure and public relations”, “strengthening of the functions of field missions in the policy-making process and in implementation”, “enhancement of evaluation”, “poverty reduction” and “peace-building” in that order. Despite the gradual improvement, there is still room for continuous improvement in the area of clarification of the strategic nature of Japan’s ODA policies, as it has attracted the largest number of recommendations in the last 10 years. The expectation of further improvement relating to “information disclosure and public relations” and “enhancement of evaluation” is clear in the past ODA evaluations. Moreover, there were many recommendations designed to produce further positive effects or outcomes relating to such increasingly difficult issues as international partnerships and peace-building.

Table 2-3 : Number of Recommendations and Lessons Learned by Subcategory and Its Share from the Viewpoint of Japan’s ODA Charter



Source: Prepared by the Evaluation Team based on the analysis results.

Chapter 3 Recommendations

3.1 Recommendations for ODA Policies

(1) Further Clarification of the Aid Strategy and Policies

In regard to Relevance of Policies relating to strategic selectivity (concentration in core competence), the evaluation results in the past were not necessarily high, resulting in the highest ratio of the recommendations and lessons learned concerning “clarification of the strategy and priority” as shown in Table 2-1 (18% of the total). The fact that many of the evaluation reports reviewed this time did not analyse the subcategory of “the utilization of Japan’s experience and expertise” indicates that this subcategory is not clearly mentioned in the Country Assistance Policies or Country Assistance Programs. The evaluators often pointed out that Japan’s ODA tends to be evenly distributed throughout the sector with the lack of a strong message (Chapter 4 – Lessons Learned (1) and (2)). The number of recommendations and lessons learned relating to “introduction of a program approach” has been consistently high both in the 2009 and present Reviews and the overall ranking of this category is up in the 2013 Review (see Table 2-2).

It is essential for Japan’s ODA Charter, the revision of which is currently in progress, and the Country Assistance Policies to be formulated in the coming years to clearly indicate Japan’s aid strategy. Moreover, MOFA should formulate coherent policies based on the results of this Review, taking coordination with other diplomatic means into consideration. Enhancement of the strategic nature of Japan’s ODA requires a comprehensive approach. The directions for aid should be indicated in a concrete manner with a strong message. For example, indicators should be set where possible, and the priority sectors should be narrowed down to areas of Japan’s strength and comparative advantage. Clarification of the aid strategy is closely related to evaluation and recommendations concerning such issues as coordination with international organizations, “concentration in core competence” of aid, the adoption of a program approach and a coherent aid policy. Viable measures to enhance the strategic nature of Japan’s ODA and a comprehensive approach must take these matters into full consideration.

In the priority areas, a comprehensive approach which stimulates synergy effects among projects under different schemes would raise the aid effects (Chapter 4 – Lesson Learned (3)). For example, a comprehensive approach is recommended in the socioeconomic infrastructure sector, where its effectiveness is especially recognized in this Review, as follows.

(a) A Comprehensive Approach to Assist the Development of Socioeconomic Infrastructure

In many of the Japan’s ODA recipient countries, assistance for socioeconomic infrastructure has been highly evaluated partly because of its significant ripple effects on other areas. One underlying reason for this appears to be the existence of various aid schemes such as ODA loans, grant aid, technical cooperation, Japan Overseas

Cooperation Volunteers, Public-Private Partnership (PPP) provided by Japan's ODA and their coordination in an adequate manner (Chapter 4 – Lessons Learned (23) and (24)). It should prove to be effective for a Country Assistance Policy to take a program approach and coordinate the assistance for socioeconomic infrastructure with aid in other areas. For the implementation of assistance for infrastructure, its combination with human resource development through technical cooperation is expected to increase the effects.

(2) Further Promotion of the Collaboration and Coordination with the Private Sector and Other Actors

In reference to “collaboration with aid-related entities”, rating of many of the evaluations was “impossible to judge”. In addition, the ratio of “high” was low. Meanwhile, the number of recommendations and lessons learned relating to “strengthening of collaboration with other actors” is ranked second in this Review. In the review from the viewpoint of Japan's ODA Charter, the subcategory of “partnership and collaboration with the international community” attracted the second-highest number of recommendations and lessons learned. Weak collaboration and coordination with other actors is more prominently pointed out in this Review than was the case in the 2009 Review. In the midst of the ongoing diversification of actors in international cooperation in recent years, the importance of coordination with other actors has been growing, not least because of the sustainability and synergy effects of Japan's ODA.

The collaboration and coordination with other actors such as international organizations, local governments, private sector, universities, NGOs, etc. should be further expanded. Special efforts should be made to further strengthen the collaboration with the private sector in particular. In the case of coordination with international organizations, coordination with those schemes and projects to which Japan financially contributes should be especially expanded. Moreover, Japan's high-level ODA policies should emphasise the importance of coordination with other actors while making conscious efforts to design a system which enables such coordination and to strengthen the function of field missions. While the need for the involvement of the private sector in ODA has been growing, none of the ODA evaluation reports so far have mentioned any prominent cases of PPP which have produced any significant effects of coordination.

The following can also be pointed out in relation to coordination with other actors.

(a) Strengthening of Coordination with International Schemes to which Japan Makes a Financial Contribution

The recommendations and lessons learned concerning “partnership and collaboration with the international community” include references to partnership with special funds of international organizations and partnership with regional organizations. This illustrates the need for Japan's ODA to improve the partnership with various international organizations. The transmission of the philosophy, purposes and targets of Japan's ODA through close consultations and cooperation with countries sharing universal values is important from the diplomatic viewpoints. More specifically, the need for monitoring and evaluation of activities financed by Japan's trust funds is pointed out (Chapter 4 – Lesson Learned (20)).

Meanwhile, there have been cases where coordination between an international organization and Japan's bilateral aid has proved to be effective in the area of peace-building (Chapter 4 – Lesson Learned (21)). For efficient and effective execution of the overall ODA budget, coordination with international scheme to which Japan makes a financial contribution is essential. When formulating and implementing ODA projects, it is desirable for Japan to actively seek coordination with those projects which are being implemented by international organizations with the financial contribution of Japan and other countries, including initial lobbying for the formulation of projects.

- (3) Formulation of Aid Policies Corresponding to the Diversity of Partner Countries such as Upper Middle Income Countries, Fragile and Conflict-Affected Countries, etc.

An important purpose of ODA is its contribution to stable development of the recipient country and benefits to the people of the recipient country from the positive outcomes of the aid. To do so, it is necessary to take into proper consideration of the development stage, as well as the political, economic, social and geographical condition of the country in question. It is, therefore, important to examine an appropriate way of making the planned aid correspond to the specific circumstances of a recipient country, be it an upper middle income country, conflict-affected country, fragile country or other.

- (a) Desirable Way to Assist Upper Middle Income Countries

It is not the case that a country which has acquired upper middle income country status is no longer worthy to receive Japan's ODA because Japan's ODA for such countries can be justified on various grounds (Chapter 4 – Lesson Learned (4)). There are many instances of an upper middle income country being justifiably eligible for assistance for the same purposes as the low income countries because of a high level of debt or fragile economy despite its statistically high income per capita, environmental vulnerability, humanitarian needs, high level of necessity for development at a local level and need for emergency and swift assistance responding to conflict or a natural disaster. In other instances, the purpose of providing ODA for an upper middle income country differs from that for low income countries, including the case of planned assistance forming the core for south-south cooperation or wide area development, the case of an active approach being required to strengthen economic partnership or to solve a global issue and the case of the sustained utilization of the effects of ODA inputs in the past being desirable from the diplomatic viewpoint. The validity of these is supported by the fact that many recommendations and lessons learned relating to assistance for upper middle income countries and non-subject countries for ODA are classified in the category of "other issues on improving aid policies", such as the direction for diplomatic policies, desirable assistance from the diplomatic viewpoints, effective utilization of limited aid schemes and a proper response to the problem of disparities in more developed countries.

In the case of cooperation for upper middle income countries, it is essential that the Japanese people have a proper understanding of its necessity by means of clearly stating its significance in high level policies and Country Assistance Policies, taking the important points discussed above into consideration. It is also important to strengthen the links

between different aid schemes in a flexible manner when judged appropriate in order to maximize the outcomes of aid in the recipient countries.

(b) Desirable Way of Assisting Fragile and Conflict-Affected Countries

Assistance for fragile and conflict-affected countries often involves purposes or outcomes related to peace-building in addition to objectives in specific sectors and projects. In addition, it is often the case that the diplomatic importance of such assistance is high. . Coordination with an international organization(s), including peacekeeping operations (PKO), which is outside the scope of ODA, is also necessary as the importance of such coordination could increase in the coming years. The observed tendency of a relative prominence of recommendations and lessons learned relating to “information disclosure and public relations” may well be the result of the high level of diplomatic importance of this particular type of assistance.

For fragile and conflict-affected countries, it is essential to clearly identify and state the purposes of assistance in the relevant Country Assistance Policies as these are often completely different from those of ODA for ordinary countries. By adopting such a practice, it is hoped that more comprehensive evaluation will be feasible for ODA for fragile and conflict-affected countries. The public relations in and out of Japan are also important for the assistance for these countries.

3.2 Recommendations for ODA Implementation

(1) Enhancement of Information Disclosure and Public Relations

The evaluation results for “information disclosure and public relations” were generally low compared to other evaluation items. As a result, the number of recommendations and lessons learned relating to “enhancement of ODA public relations“ and “information disclosure and public relations” is large, repeating the same tendency observed in the 2009 Review. This is especially true for upper middle income countries, and fragile and conflict-affected countries. As already mentioned earlier, weak coordination with the international community is pointed out. The low level of understanding of Japan’s ODA policies among leading donors is an issue observed in many recipient countries (Chapter 4 – Lessons Learned (6) and (7)), indicating a continued need for constructive information disclosure and public relations.

An increased level of recognition of Japan’s ODA in recipient countries can be expected to boost the diplomatic effects of Japan’s ODA, therefore, it is necessary to develop an effective way of publicizing ODA, including the use of information and communication technologies (ICT). This is particularly important for upper middle income countries, and conflict-affected and fragile countries. The implementation of more effective public relations activities are required to improve the recognition of Japan’s ODA in Japan and recipient countries alike even though the available budget and human resources are limited (Chapter 4 – Lesson Learned (17)).

(2) Further Strengthening of the Functions of Field Missions

Of all the subcategories reviewed from the viewpoint of Japan's ODA Charter, the evaluation results for the subcategory of "strengthening of the functions of field missions in the policy-making process and in implementation" are not necessarily poor. In addition, the number of recommendations and lessons learned relating to "enhancement of the ODA Task Forces" has shown a declining trend from FY 2003 – 2007 to FY 2008 – 2013. This means that the strengthening of field missions has been making progress. Meanwhile, the share of recommendations and lessons learned relating to "enhancement of the ODA Task Forces" continues to be high since the 2009 Review. In the review from the viewpoint of Japan's ODA Charter, the number of recommendations relating to "strengthening of the functions of field missions in the policy-making process and in implementation" is ranked fourth. These findings suggest that further strengthening of the functions of field missions in the policy-making and implementation processes is required to enable a quick response to changing local conditions.

An appropriate system should be established and authority should be given to the ODA Task Forces to enable them to properly perform their roles in a flexible manner. It is necessary to reconsider the decision-making process led by MOFA and the principle of single-year budget as long as changes are both feasible and appropriate. Strengthening of the functions of field missions is important from the viewpoint of facilitating collaboration and coordination with other actors as mentioned earlier (Chapter 4 – Lessons Learned (13), (14) and (15)).

(3) Further Utilization of the ODA Evaluation Results

The number of recommendations and lessons learned relating to ODA evaluation shows a declining trend (based on the comparison of two reviews in Table 2-2). The main reason for this decline is assumed to lie with the increasingly thorough evaluation of ODA by MOFA and JICA. The systematic and enhanced evaluation of ODA has definitely improved the transparency of ODA. However, it must be noted that the number of recommendations and lessons learned is still large in this Review results for certain subcategories, including "clarification of the strategy and priority". This may be partly attributed to the increasing difficulty of formulating strategic ODA policies but may reflect the present situation where the various recommendations and lessons learned in the ODA evaluation reports are not necessarily utilized in the process of formulating and implementing ODA policies.

ODA evaluation must further contribute to the strategic and effective implementation of ODA. The ODA Evaluation Division of MOFA should play the central role of developing and strengthening a mechanism which ensures that (i) the recommendations and lessons learned in the past ODA evaluations analysed by this Review are utilized for the formulation and implementation of new ODA policies and that (ii) the results and recommendations of individual ODA evaluations are surely reflected on new aid policies. This will be the key for making the PDCA cycle (Plan-Do-Check-Act) functions successfully. The creation of a database or check list containing past recommendations

and lessons learned at various levels may be one way of guaranteeing the effective utilization of ODA evaluation.

3.3 Recommendations for ODA Evaluation Methodology

(1) Clarification of Evaluation Results

(a) Complete Rating of the Evaluation Results

As mentioned in 1.3 – Methodology of the Review, rating of evaluation results has been introduced since FY2011 on a trial basis. In the case of many of reports before FY2011, it was quite difficult to determine whether the evaluation results should be treated as high or low based on the report text. For the purpose of evaluation, a description of the facts is not enough and the value judgement of an evaluator as an evaluation expert is required.

Rating of the evaluation results from development viewpoints should be adopted in principle to present the evaluation results in a much clearer manner because rating gives a clear judgement of each evaluation result. Needless to say, the basis for a judgement or rating must be presented and a full analysis of the basis for rating in the same report is important. It is desirable to establish rating criteria in a flexible manner to correspond to the actual evaluation items. One example is the rating system in this Review where four rating grades are introduced to rate the items relating to development viewpoints and two rating grades, i.e. “recognized” and “not recognized” are used from the diplomatic viewpoints.

(b) Effectiveness of Results: Evaluation and Rating of the Outcomes and Impacts

As pointed out in the review of Effectiveness of Results and Chapter 4 – Lesson Learned (1), some of the ODA evaluation reports only describe the contents and outputs of the assistance without any reference to the effects in the form of outcomes or impacts. Such evaluation is not sufficient for policy-level evaluation. One reason for this shortcoming is that the indicators to judge such effects are not properly incorporated in the aid policy.

Even if the scope of the prospective evaluation is limited due to the absence of indicators, the evaluator should try to include outcomes or impacts in the evaluation report. When the indicators for outcomes or impacts are not established in advance, the indicators based on the relevant information should be considered at the planning stage of evaluation. As mentioned earlier, in order to evaluate Effectiveness of Results appropriately, descriptions in the aid policy are required to clearly indicate what the outcomes and impacts envisaged.

(2) Implementation of Well-balanced Evaluation

Through this Review, the Evaluation Team found that some conventional evaluation items have lost their substance, resulting in little difference of their evaluation results. With other items, including the above-mentioned analysis of the outcomes and impacts, the analysis was insufficient. As describe later, the importance of the evaluation from diplomatic viewpoints is likely to increase in the coming years, demanding additional work for ODA evaluators. When some constraints in the budget and duration of evaluation are taken into

consideration, it is difficult to study and analyse conventional and newly introduced evaluation items with the same depth. Even if references to some of the conventional evaluation items are meaningful so as to confirm their existence, a formalized report can be monotonous and give little insight of ODA to its readers.

Therefore, it suggests the importance of well-balanced ODA evaluation. The evaluation of those items which have lost their substance should be simplified as much as possible or withdrawn if necessary. Meanwhile, more detailed and precise analysis should be conducted for (i) those items representing new viewpoints, such as the strategic nature and comparative advantage of Japan's ODA, diverse coordination with other actors and aid efforts capitalizing on the strong points of Japan and (ii) evaluation results from the criterion of Effectiveness of Results and also from the diplomatic viewpoints. To be more precise, the following points can be raised.

(a) Relevance of Policies: Substance Partially Lost with Evaluation of the Consistency with High Level Policies

The consistency with Japan's high level ODA policies was evaluated by most reports as very high. However, further analysis of the evaluation method used found that the consistency with high level policies was judged to be high in some reports simply because of the fact that the priority sectors of the subject aid policy are mentioned by Japan's ODA Charter and other high level policies. As Japan's aid policies are formulated based on the ODA Charter, it is unlikely for the priority areas to be far apart from each other. For example, ODA evaluation can be significant if the consistency with the basic policies of the ODA Charter is checked. The same applies if the consistency is checked between higher level policies and aid policies after enhancement of the strategic nature of these policies. Unless such improvements are made, the partial loss of substance in the evaluation of the consistency with high level policies would persist.

(b) Relevance of Policies: Insufficient Evaluation in the Light of International Trends and Japan's Comparative Advantage

In recent years, most ODA evaluation reports have examined the relevance with policies of the recipient country to assess the consistency with the needs of the recipient country and this Review found that none of the evaluation reports reviewed were found to be "impossible to judge" in this kind of relevance. On the other hand, the results of the review on the consistency with global priority issues and strategic selectivity (concentration in core competence) were considered to be "impossible to judge" or "not applicable" in many evaluations. Even when judgement is made, the consistency with global priority issues in some reports only involved consistency with a sector referred to by the Millennium Development Goals (MDGs) or was confined to a Japanese international initiative, such as the Tokyo International Conference on African Development (TICAD). In regard to Japan's comparative advantage, the proportions of "impossible to judge" or "not applicable" were particularly high. However, this evaluation item is very important to improve the strategic nature of Japan's ODA. While it is obvious that adaptation to an international trend is not always the right choice, it is desirable for the ODA Evaluation Guidelines to clearly mention that evaluation should be performed in the light of various international trends and Japan's comparative advantage.

The Japan's comparative advantage has long been analysed with reference to the aid strategies, activity areas and scale of assistance of international organizations and other donors, especially DAC member countries. However, information on such emerging donors as China and India has been somewhat limited, especially in the aid strategy. The impacts of such emerging donors on some developing countries have overtaken those of DAC member countries and their analysis is essential to accurately evaluate Japan's ODA. The inclusion of a clause in the ODA Evaluation Guidelines which clearly demands analysis of the trends of emerging donors and their impacts on Japan's ODA where possible may be worthy of consideration.

(c) Appropriateness of Processes: Partial Loss of Substance in Evaluation of the Appropriateness of the Policy-Planning Process

The appropriateness of the policy-planning process among the various evaluation items under Appropriateness of Processes was highly evaluated by almost all of the ODA evaluation reports. The reason for this is that as Country Assistance Programs were mostly formulated in accordance with a uniform process, evaluation of this process does not produce any greatly differing results.

(d) Appropriateness of Processes: Insufficient Evaluation of the Collaboration and Coordination with Other Actors

In the case of evaluation of "collaboration with aid-related entities", many of the evaluation results were considered to be "impossible to judge". Meanwhile, the number of recommendations and lessons learned relating to "strengthening of the coordination with other actors" is ranked second in Table 2-2, indicating its increasing importance compared to the 2009 Review. For this and other important items, it is necessary to make the ODA Evaluation Guidelines clearly state the need to analyse them as part of the ODA evaluation. In view of the present situation of the diversification of the actors in international cooperation, concrete cases of collaboration and coordination with such actors as international organizations, local governments, private sector, universities and NGOs should be researched, followed by thorough analysis of the results (Chapter 4 – Lesson Learned (22)).

(3) Enhancement of Evaluation from Diplomatic Viewpoints

Evaluation from diplomatic viewpoints was introduced in FY 2011 and actual analysis is currently conducted with reference to "diplomatic importance" and "diplomatic impacts". Japan's ODA is an important means of achieving the objectives of its own diplomacy, such as peace and stability of the international community and regions, prosperity of the global economy, reduction and elimination of national and international disparities, conservation of the global environment, protection of human rights and securing of Japan's security and prosperity through the realization of these objectives. As Japan aims at fulfilling its obligations as a responsible country in the international community by means of ensuring consistency between its ODA and other political and economic means of cooperation, the implementation of evaluation from diplomatic viewpoints is an essential requirement.

At present, as each ODA evaluation team is given the freedom to determine how to evaluate a subject ODA policy from diplomatic viewpoints, various criteria are used depending on the situation of the recipient country concerned and other relevant matters. As a result, both the diplomatic importance and diplomatic impacts were “recognized” in all of the ODA evaluations containing evaluation from diplomatic viewpoints. Indeed, it is quite unlikely that any ODA does not produce some kind of diplomatic effect. Therefore, uniformly positive evaluation results may be inevitable but act to blur any special diplomatic effects in the recipient countries.

As the importance of evaluation from diplomatic viewpoints will continue to increase in the coming years, the ODA Evaluation Guidelines should provide more detailed guidance on this type of evaluation, in the same way as evaluation from development viewpoints. Based on the relevant cases of past ODA evaluations, the following analysis items are conceived. Not all of these analysis items may be applicable because of the specific situation of a subject country but the use of the same analysis items for all ODA evaluations is most likely to make it easier for everyone concerned to understand the strength of the diplomatic effects of Japan’s ODA in individual recipient countries.

(a) Diplomatic Importance

1) Political Aspect

- Strengthening the bilateral relationship
- Geopolitical importance
- Deepening diplomacy (such as the number of mutual visits by VIPs)

2) Social Aspect

- Sharing a basic sense of values, while taking into consideration of the political, economic and social structures of developing countries

(b) Diplomatic Impacts

1) Political Aspect

- Stability and/or sustainable development in the area involved
- Contribution to the enhancement of Japan’s presence in the international community
- Understanding of and/or support for Japan’s position in the international community

2) Economic Aspect

- Strengthening the economic relationship and/or progress towards a market economy (verification of the economic relationship between Japan and the recipient country concerned based on the transition of the trade amounts and volumes and other relevant matters). Any prospect of such strengthening in the coming years

3) Social Aspect

- Public recognition of the activities of volunteers at the grassroots level
- Improvement of the understanding and evaluation toward Japan and the Japanese people
- The recognition level of Japan’s ODA among experts and any change observed
- Positive actions by people with a good understanding of Japan, such as returning students and returning trainees through alumni events and their expansion
- Friendship promotion (based on the results of surveys by third parties and other information)

4) Others

- People exchanges, particularly exchanges of young people
- Emergency assistance in the case of disaster

(4) Development of Innovative Viewpoints for Evaluation of Upper Middle Income Countries, Fragile and Conflict-Affected Countries

(a) Evaluation of Assistance for Upper Middle Income Countries

The evaluation result for Relevance of Policies in upper middle income countries is slightly lower than that of low income countries. On the contrary, Appropriateness of Processes is evaluated higher in upper middle income countries. Unlike ODA for low income countries, the recommendations and lessons learned as a result of evaluation tend to be related to the diplomatic strategy and response to various disparities. As the purpose of ODA for upper middle income countries often differs from that for low income countries, creative thought is required to determine the viewpoint for analysis (Chapter 4 – Lesson Learned (4)).

A development plan in an upper middle income country may not be compatible with the aims of so-called development assistance (poverty reduction, etc.) In such case, it may be less meaningful to try to ensure consistency between the national development policy of a recipient country and the aid policies of Japan. However, assistance for a recipient country from the viewpoint of regional development or from the viewpoint of south-south cooperation may be more important than the development of the said country alone. Because of these special features, it is important to revise the uniform evaluation viewpoint to make evaluation reflect a specific viewpoint which is appropriate for the country in question according to the purpose of assistance.

(b) Evaluation of Assistance for Fragile and Conflict-Affected Countries

Analysis of the priority issue evaluation results relating to peace-building and of the ODA evaluation reports for fragile and conflict-affected countries under this Review has found that assistance for these countries often involves peace-building related objectives and outcomes in addition to objectives relating to a specific sector or project. The diplomatic importance of peace-building efforts is also high. The evaluation results for peace-building efforts indicate a high level of Relevance of Policies. Peace-building is one of the priority issues identified by Japan's ODA Charter. Some of the reasons for the high level of Relevance of Policies are that as peace-building is one of the priority issues identified by the ODA Charter, the level of international attention paid to peace-building is often high, and that the strong and wide-ranging needs for foreign aid in these countries are beyond doubt. The recommendations and lessons learned relating to fragile and conflict-affected countries tend to feature "information disclosure and public relations", "collaboration with aid-related entities" and "supporting self-help efforts of developing countries" compared to the general trends. These facts suggest that in the area of peace-building, coordination with diverse actors, including international organizations and NGOs, may be required much more than the case of ordinary development assistance and that it is important to take note of the capacity of a recipient country to digest assistance (Chapter 4 – Lesson Learned (35)).

When the situation of a recipient country differs from that of another country, it is natural to emphasize a different viewpoint for evaluation. It is desirable for the ODA Evaluation Guidelines to include a clear demand that any evaluation of ODA for a fragile and conflict-affected country emphasize a distinctive viewpoint associated with such country.

(5) Assurance of the Quality of Evaluation

The reading of evaluation reports in this Review has produced the impression on the Evaluation Team that the quality of these reports is quite different. Even though the quality of evaluation is naturally affected by the degree of difficulty of dealing with individual themes, it is still necessary for future ODA evaluations to try to secure their quality. There is a possibility that the quality of an evaluation report of Japan's ODA is adversely affected by factors that the budget size per evaluation is smaller and that the duration of a field survey for country assistance evaluation is shorter in comparison with other donors. Another factor may be the absence of a system to assure and improve the quality of evaluation while maintaining the independence of the evaluation team. Against the background of a declining budget size per evaluation year by year, it is important to periodically check the impact of the budget size on the quality of evaluation reports.

Improvement of the ODA Evaluation Guidelines and the implementation of well-balanced evaluation should contribute to the qualitative improvement of evaluation. In addition, another idea is to reduce the number of evaluations while reviewing the relationship between the evaluation budget and number of evaluations.

Chapter 4 Lessons Learned based on the Review of ODA

Evaluation Results

Based on the analysis results of this Review as described in Chapter 2 and Chapter 3, a list of the lessons learned has been prepared as shown below. For finalization of the lessons learned, much thought has been given to those themes which are believed to be important based on frequently repeated recommendations and lessons learned in the past, discussions at revision meetings, contents of debates as of May, 2014 for the impending revision of Japan's ODA Charter and the ODA policy speech by Fumio Kishida, Minister for Foreign Affairs of Japan (March 28, 2014).

List of Lessons Learned
Aid Approach
(1) Japan's aid strategy must be clearly presented.
(2) Assistance in those areas in which Japan excels and enjoys a comparative advantage should be actively promoted (pursuit of a distinctive Japanese touch).
(3) A comprehensive aid approach enhances the aid effects and leads to the maintenance and improvement of Japan's international as well as regional presence.
(4) Continued assistance for more developed countries is essential.
(5) A type of cooperation responding to the needs of the private sector should be examined.
(6) Japan's position in donor coordination should be clearly presented.
(7) Japan should play an active role in those countries which Japan is a party to donor coordination.
Aid Modality
(8) The feasibility of coordination between the Senior Volunteer (SV) Scheme and the Japan Overseas Cooperation Volunteers (JOCV) Scheme should be examined along with clarification of the status of these schemes in Japan's ODA and their strategic use.
(9) Although South-South Cooperation has already produced positive effects in many areas, it should be further promoted more strategically from the viewpoints of both diplomacy and the dissemination of the development effects.
(10) Human resources development is an effective means of achieving quality outcomes of ODA and diplomatic impacts.
(11) The system and operation of such schemes as Grant Assistance for Grassroots Human Security Projects and Grant Assistance for Japanese NGO Projects should be reviewed for the purpose of enhancing their usefulness to NGOs.
Aid Implementation Process
(12) Assistance for countries of which the capacity to receive and digest foreign aid is weak is required to include enhancement of the project formulation and management capacity of the central government.
(13) An appropriate system should be established and authority should be given to ODA Task Forces to enable them to properly perform their roles in a flexible manner.
(14) The decision-making process led by MOFA and the principle of single-year budget should be fundamentally revised to enable a quick response to changing local conditions.
(15) Shortening of the time from the initial request for aid to its approval should be sought.
(16) The regularization of high level meetings is useful to establish closer diplomatic relations.
(17) A public relations strategy for ODA should be revised to increase the recognition level of Japan's ODA in recipient countries.
(18) A Country Assistance Program, Policy or diplomatic initiative should be given expiry

dates along with the introduction of set timing for policy monitoring and evaluation.
(19) A system capable of the systematic management and utilization of information and expertise obtained through the implementation of ODA should be developed.
(20) Projects coordinated through financial contribution to international organizations should be thoroughly monitored and evaluated.
(21) Coordination with Japan's assistance implemented through financial contribution to international organizations should be sought.
(22) The cooperative relationship with international organizations as well as NGOs, local governments, universities, private companies and others based in Japan and abroad should be further expanded.
Sector-Specific Lessons Learned
(23) For the implementation of assistance for infrastructure, its combination with human resources development through technical cooperation is important.
(24) As assistance for infrastructure greatly contributes to other areas, the relevant aid approach should set its sights on inter-sectoral coordination and the upgrading of such assistance to a program.
(25) If the achievement of the MDGs in the area of education is aimed at, an aid menu for education should be considered for each region or country.
(26) For assistance for primary education, diversification of the scope of application of technical cooperation should be sought.
(27) Assistance in the area of education should focus on the achievement of both "quantity" and "quality".
(28) Careful planning and the establishment and strengthening of an implementation base in Japan are essential for the implementation of a strategy to assist the control of infectious diseases.
(29) The development of "human resources for infectious disease control" with workable skills and expertise throughout the world is the key to the effective implementation of assistance for infectious disease control.
(30) A series of initiatives in the health and medical care sector has raised Japan's presence.
(31) For assistance for forest conservation, the existence or absence of self-help by a recipient country is the deciding factor for success or failure.
(32) While safeguarding the request-based implementation of ODA, Japan's position regarding global issues should be clearly presented.
(33) As the strengthening of earthquake countermeasures and disaster prevention/mitigation are areas in which Japan's rich experience can be utilized, assistance in these areas should be strengthened in the coming years.
(34) The aid modality and underlying principles for aid policies and procedures should be revised so that speedy assistance can be provided in response to an emergency situation and also at the reconstruction stage.
(35) There is an urgent need for the establishment of a common understanding regarding the concept of assistance for peace-building and its scope of work so that an appropriate implementation system can be created.
(36) The ODA Gender Officer System should be strengthened along with efforts to achieve gender mainstreaming.
(37) In the area of industrial promotion, assistance should be provided through industry-government-academia cooperation and collaboration.