

# Japan's Official Development Assistance

---

*White Paper 2001*

Economic Cooperation Bureau  
Ministry of Foreign Affairs

# CONTENTS

---

Foreword .....	vi
Explanatory Notes .....	ix
Introduction .....	xi
<b>Part I. ODA in the Twenty-first Century</b> .....	<b>1</b>
Chapter 1. Development Challenges in a Globalizing World .....	3
Section 1. Problems in Developing Countries .....	3
(1) Globalization and Poverty .....	3
(2) Regional Conflicts and the Role of Development .....	4
(3) Global Issues and Global Public Goods .....	4
Section 2. Building an International Development Partnership .....	5
(1) Development Targets Shared Among the International Community .....	5
(2) Diversification of Development Aid Entities .....	7
(3) Promoting Aid Coordination .....	7
Chapter 2. ODA's Role in Promoting Peace and Prosperity in the International Community .....	11
Section 1. Human Resources Development, Building Networks and Empowerment: For the Sake of Prosperity .....	13
(1) Basic Education .....	15
(2) Nurturing of Human Resources and Provision of Expertise .....	15
(3) Promoting Wide-Area and South-South Cooperation .....	17
Section 2. Addressing Global Issues for the Sake of Coexistence .....	19
(1) Global Environmental Issues .....	20
(2) Controlling Infectious Diseases .....	21
Section 3. Conflict Prevention and Peace Building: Towards Peace .....	24
(1) Cooperation in Conflict Prevention .....	26
(2) Emergency Humanitarian Assistance .....	27
(3) Peace Building .....	28
Chapter 3. The "Three Ps": Promoting Expanded Citizen Participation and Understanding .....	35
Section 1. New Partnerships Between the Public and Private Sectors (Partnership) .....	37
Section 2. Participation by Citizens from All Walks of Life (Participation) .....	37
Section 3. Public-Private Interaction .....	39
Chapter 4. Promoting ODA Reform .....	43
Section 1. Final Report of the Second Consultative Committee on ODA Reform .....	43
Section 2. Improving ODA Efficiency and Transparency .....	46
(1) Improving Efficiency and Transparency in Assistance Policies .....	46
(2) Enhancing Efficiency and Transparency in Project Implementation .....	49
(3) Improving the Evaluation System .....	50
(4) Coordination and Collaboration Within the Japanese Government .....	51
Section 3. Review of ODA Systems .....	53
Section 4. Finding, Fostering, and Using Development Personnel .....	54

<b>Part II. Country Assistance Programs</b>	<b>57</b>
Summaries of Country Assistance Programs	59
China	59
Cambodia	60
Malaysia	61
<b>Part III. Data and Graphs</b>	<b>63</b>
<b>Part IV. Reference</b>	<b>115</b>
Japan's Official Development Assistance Charter	117
Japan's Medium-Term Policy on Official Development Assistance (ODA)	121
Final Report of the Second Consultative Committee on ODA Reform	151
List of ODA-Related Publications	159
ODA-Related Websites	161
History of Japan's Assistance to Developing Countries (1945–2001)	163
<b>Part V. Statistical Appendix</b>	<b>177</b>
<b>Charts</b>	
Chart 1. Major International Conferences Since the 1990s	6
Chart 2. Organization of the Japan Platform	26
Chart 3. Japan's Mine-Related Disbursements	31
Chart 4. Relationship Between MOFA and Local Governments	36
Chart 5. Highlights of the Final Report of the Second Consultative Committee on ODA Reform	44
Chart 6. Aid for Education	65
Chart 7. Aid for Health and Medical Care	66
Chart 8. Concrete Measures Taken Under the Okinawa Infectious Diseases Initiative (IDI)	67
Chart 9. Water-Related Aid	68
Chart 10. Japan's Initiative on Women in Development (WID)	69
Chart 11. Aid for Transport	72
Chart 12. Partnership for Democratic Development (PDD) Projects in FY 2000	73
Chart 13. Japan's Initiatives for Sustainable Development (ISD) Toward the 21st Century and Actions Taken in FY 2000	75
Chart 14. Aid for the Environment	77
Chart 15. Aid for Agriculture, Forestry, and Fisheries	78
Chart 16. Energy-Related Aid	78
Chart 17. Countermeasures Against Drug Abuse	79
Chart 18. Aid for Telecommunications	83
Chart 19. Japan's Comprehensive Cooperation Package to Address the International Digital Divide	84
Chart 20. Trends in the ODA Budget	85
Chart 21. General Account Budget for ODA (all government agencies)	86
Chart 22. ODA Operating Budget (all government agencies)	87
Chart 23. General Account Budget for ODA by Ministry	88
Chart 24. Operating Budget by Ministry	89
Chart 25. Japan's ODA in 2000 by Type (finalized figures)	90
Chart 26. Trends in Japan's ODA as a Share of Gross National Income (GNI)	90
Chart 27. Geographical Distribution of Japan's Bilateral ODA	91
Chart 28. Trends in Japan's Bilateral ODA by Region	92
Chart 29. Types and Geographical Distribution of Japan's Bilateral ODA in 2000	93

Chart 30. Major Recipient Countries of Japan’s Bilateral ODA . . . . .	97
Chart 31. Major Recipients of Japan’s Bilateral ODA by Aid Type (2000) . . . . .	98
Chart 32. List of Countries to Which Japan Is the Top Donor. . . . .	100
Chart 33. Sectoral Distribution of Bilateral ODA (2000) . . . . .	101
Chart 34. Trends in Japanese Bilateral ODA Shares by Sector . . . . .	102
Chart 35. Flows from Japan to Developing Countries (1999 and 2000) . . . . .	103
Chart 36. ODA Extended by DAC Countries (1999 and 2000). . . . .	104
Chart 37. Trends in Major DAC Countries’ ODA (Net disbursement basis) . . . . .	105
Chart 38. ODA/GNI Ratios of DAC Member Countries (2000) . . . . .	105
Chart 39. Per-Capita ODA Burden of DAC Countries . . . . .	106
Chart 40. Per-Capita ODA of DAC Countries. . . . .	107
Chart 41. Grant Share of ODA Provided by DAC Countries . . . . .	108
Chart 42. Grant Totals of ODA Provided by DAC Countries . . . . .	109
Chart 43. Tying Status of DAC Countries, Bilateral ODA . . . . .	110
Chart 44. Five Largest ODA Recipients of Major DAC Countries . . . . .	111
Chart 45. Shares of Aid of Major Donors by Region (1999). . . . .	112
Chart 46. Comparison of ODA Provided by Major Donors. . . . .	113
Chart 47. Flow of Funds from DAC Countries and International Institutions to Developing Countries . . . . .	114
Chart 48. Flow of Funds from the World to Developing Countries. . . . .	114

## TOPICS

Topic 1. Fiftieth Anniversary of the Colombo Plan. . . . .	12
Topic 2. Improving Basic Education Through the JICA Partnership Program—Improved Access to Primary Education in Rural Areas through Community Participation Project: Cambodia. . . . .	14
Topic 3. Promoting Human Resources Development with Yen Loans—Higher Education Loan Fund Project: Malaysia . . . . .	16
Topic 4. Development of the Greater Mekong Subregion . . . . .	18
Topic 5. Balancing Tourism with Protection of Coral Reefs—Completion of the Palau International Coral Reef Center . . . . .	22
Topic 6. A Greenery Promotion Project in Karegoro: Niger . . . . .	23
Topic 7. A Network for Infectious Disease Control—JAPAN-ASEAN Information and Human Network for Infectious Disease Control . . . . .	25
Topic 8. Technical Cooperation to Support Reconstruction in East Timor . . . . .	29
Topic 9. “Human Security” . . . . .	33
Topic 10. The Activities of Senior Volunteers—Project to Promote Eco-Friendly Agriculture: Thailand. . . . .	38
Topic 11. Listening to the People’s Voice—ODA Town Meetings Are Held. . . . .	40
Topic 12. The Spread of Development Education—The Example of the JOCV. . . . .	41
Topic 13. Tokyo Workshop on ODA Evaluation. . . . .	52

# FOREWORD

---

As the world's largest provider of official development assistance (ODA) over the past decade, Japan has made a significant contribution to the development and stability of Asian and other developing countries as well as to poverty reduction in these countries. Japan's ODA policy has been praised by the international community and has helped promote friendship between Japan and other nations. In recent years, however, ODA has come under domestic criticism; people ask why Japan continues to disburse aid on such a large scale despite the severe economic and fiscal conditions. At the same time, calls are being made for redoubled efforts to enhance the efficiency and effectiveness of individual projects and for more detailed accounts of the implementation process to heighten transparency.

Shortly after being appointed Foreign Minister, I announced the "Ten Reform Principles to Ensure an Open Foreign Ministry." As one of the reform principles, I promised to implement ODA projects with greater efficiency and transparency so as not to squander precious tax revenues. In concrete terms, this means seeking external assistance in introducing mechanisms to enhance transparency, one of which is to have our overseas missions consult with locally active non-governmental organizations before reaching disbursement decisions, and another is to invite third-party representatives to committees in the Ministry of Foreign Affairs (MOFA) in order to discuss and determine priority areas and projects. I also promised to consider the appointment of non-ministry officials to senior aid-evaluation posts in the Economic Cooperation Bureau as well as the introduction of appropriate auditing procedures for the implementation of ODA projects.

These are not the first attempts to reorganize Japan's ODA; the Ministry of Foreign Affairs has been earnestly involved in this endeavor for quite some time. A recent example is the approximately 10 months of deliberations conducted by the Second Consultative Committee on ODA Reform, which was launched in May 2001 and which issued its final report in March 2002. The report contains concrete proposals around the central concepts of "public participation," "the securing of transparency," and "improvements in efficiency." The direction of reform outlined by this report coincides with our "Ten Reform Principles" mentioned above.

Henceforth, tasks include the prompt implementation of recommendations that can be applied immediately, including the establishment of “the Board on Comprehensive ODA Strategy” and “the introduction of third-party audits.”

Japan’s ODA is now being subjected to sweeping reforms. I do not believe, however, that this detracts anything from the critical importance of ODA. The September 11 attacks demonstrated that poverty can become a breeding ground for terrorism. To prevent the recurrence of such a tragedy, the international community must consolidate its efforts to help rebuild Afghanistan and to address the problem of poverty in other countries and regions around the world. While globalization has brought benefits to many people, it has also widened the wealth gap in certain countries and regions. One in five persons still subsists on less than a dollar per day, and there are many lingering threats to human security—such as poverty, infectious diseases, environmental destruction, and conflict—primarily in developing countries. Basic social infrastructure for education and medical services remains inadequate in many countries, preventing them from nurturing capable human resources to spearhead nation-building efforts. The international community is being asked to lend a hand, since many developing countries are unable to overcome these problems on their own.

International society is deeply concerned about the problem of development, and this issue will be a key theme in major international conferences held in 2002. In March 2002, for instance, the world’s leaders met in Monterrey, Mexico, at the International Conference on Financing for Development to discuss how financial flows of all kinds—not just ODA but also trade and private-sector investment—could be mobilized to promote growth in developing countries. In June, the Group of Eight Summit in Kananaskis, Canada, will take up the issue of Africa’s development. Also, from late August to early September, the problem of poverty—regarded as a major stumbling block to sustainable development—will be a key agenda item at the World Summit on Sustainable Development (WSSD), to be held in Johannesburg, South Africa. The United States and members of the European Union have indicated their intention to significantly boost their ODA disbursements. Japan too must play an active role in line with these international initiatives and do its utmost to promote development and reduce poverty. Such efforts will not only bring benefits to recipient countries but also promote Japan’s friendship with other countries, particularly those in the developing world. This, in turn, will enable us to secure our own security and prosperity as well as help protect our national interests.

With an eye to deepening people’s understanding of ODA, care has

been taken in this publication to explain recent features of Japan's ODA, what roles it has fulfilled, attempts at reform, development issues within recipient countries, and the international development climate in ways that are easy to understand, such as through the use of numerous figures and tables. Box stories are also offered to shed light on the ways in which Japanese aid is bringing concrete benefits to people around the world. It is my sincere wish that this publication will help readers deepen their understanding of development assistance and induce stronger support for Japan's ODA. I would be delighted to hear your comments on this White Paper and on Japan's ODA in general via e-mail (oda@mofa.go.jp). I look forward to personally reading the views that are submitted. I also welcome opportunities to discuss Japan's development assistance directly with members of the public through such forums as "town meetings" between cabinet ministers and local residents in Japan.

May 2002

Yoriko Kawaguchi  
*Minister for Foreign Affairs*

# EXPLANATORY NOTES

---

1. Statistics presented here are based on information obtainable from national governments, the Development Assistance Committee (DAC), and other sources as of April 2002.

## 2. Glossary of Common Terms

### *Official Development Assistance (ODA)*

(1) ODA comprises funding flows that meet the following three conditions.

- (i) It is provided by the government or by its executive agencies.
- (ii) It is administered with promotion of the economic development and welfare of developing countries as its main objective.
- (iii) It is concessional in character to avoid severe burdens on developing countries and conveys a grant element of at least 25%.

(2) ODA consists of grant aid, technical cooperation, subscriptions and contributions to UN agencies and international financial institutions (all defined as grants), and government loans.

### *Japan International Cooperation Agency (JICA)*

JICA is an agency for the implementation of government-based technical cooperation. It conducts training programs in Japan, implements an expert-dispatch program, and provides equipment. It also administers the Japan Overseas Cooperation Volunteers programs, emigration programs (assistance programs for Japanese who have moved abroad), and emergency disaster-relief programs.

### *Japan Bank for International Cooperation (JBIC)*

JBIC, the institution responsible for the extension of yen loans, also provides financing and loans to companies engaged in projects in developing countries and carries out a range of related surveys. JBIC was formed in October 1999 as a result of a merger between the Export-Import Bank of Japan and the Overseas Economic Cooperation Fund.



*Non-Governmental Organization (NGO)*

In this publication, the term refers to an organization that is engaged in development-related activities in developing countries. Many such NGOs have their headquarters in Japan, Europe, or North America, but some are also based in developing countries.

*Development Assistance Committee (DAC)*

DAC is an agency of the Organization for Economic Cooperation and Development (OECD) that primarily mediates negotiations among aid donors on quantitative increases or qualitative enhancements in aid. Established in 1961, DAC now has members from 22 industrial democracies, including Japan, as well as the European Commission.

*Grant Element (GE)*

Grant element is an index of the financial terms of assistance, the GE of a loan on a commercial basis (with an assumed interest rate of 10%) being 0%. As terms (interest rate, grace period, and maturity) are alleviated, the GE figure rises, reaching 100% in the case of a grant.

*Exchange of Notes (E/N)*

Exchange of Notes are official documents stipulating the content and conditions of cooperation between the Japanese and recipient governments.

*Net Disbursement*

Net disbursement is gross disbursement minus the amortized amount (the volume of repayment from the recipient) during a certain period of time (generally a calendar year).

# INTRODUCTION

---

The world was shocked by the September 11 terrorist attacks in the United States in 2001. Such acts cannot be justified under any circumstances, as they represent a serious challenge to the entire international community and pose a grave threat to all civilizations. The international community including Japan stands together to counter terrorism so that incidents like September 11 are never repeated and supports those whose lives were severely affected by the attacks. The World Bank estimates that the incident will cause 10 million people to fall into poverty and 20,000 to 40,000 children under five years old to die in developing countries. Thus, the biggest victims of rising anxiety in society as a reaction to terrorism are those living in developing countries as well as those too poor to shield themselves from heightening tensions.

More than 1.2 billion people—most of them in the developing world—continue to live in absolute poverty (subsistence on less than one dollar a day). Nearly 800 million, moreover, suffer from hunger. Poverty, though, is not the only problem besetting developing countries. Many are embroiled in armed conflict, which directly threatens citizens' lives and can quickly destroy the fruits of many years of development efforts. Developing countries also confront the dangers of infectious diseases like HIV/AIDS, which rob these countries of citizens who might otherwise have played a significant role in nation building and of social vitality. Environmental problems like global warming, which is causing sea levels to rise, and the destruction of ecosystems present additional challenges. These problems transcend national and continental borders and may push the entire international community, including developed countries, to the brink of crisis. Putting off a solution to these many problems will mean leaving behind an enormous negative legacy to future generations.

The rapid advance of globalization has prompted a sharp rise in cross-border flows of people, goods, capital, and information. This is fostering even deeper ties of interdependence among members of the international community. Japan is highly reliant on other nations for its resources and markets. To enjoy continued prosperity in a peaceful world, Japan must foster even closer relations with developed nations. At the same time, it must also cooperate with and live in coexistence with the developing world, which constitutes the vast majority of nations in the global community.

Helping to establish an international order befitting the twenty-first century and playing a leadership role in addressing the problems of developing countries as well as global issues are in Japan's own national interest. This is because contributing to the harmonious and reciprocally beneficial development of the international community and winning its deep trust will enable the country to maintain and enhance the peace and prosperity it now enjoys. ODA is one of the most potent means at Japan's disposal to advance this policy. It is thus of great importance that Japan continues not only to actively and effectively transfer its excellent technology and know-how, honed through experience, to developing nations but also to move in step with them and to respect their policies and self-help efforts.

Such recognition has catapulted Japan into one of the world's leading donors, having administered ODA to over 150 developing countries. Japan has cooperated with other donor countries and the international community—including recipient nations—to address development issues, thus helping economies, primarily in Asia, achieve unprecedented development in the latter half of the twentieth century. Average life expectancy in developing countries, for example, rose from 55 years in 1970 to 65 years in 1998, while the infant mortality rate declined from 107 per 1,000 births to 59 over the same period, and adult literacy similarly improved from 53% to 70%. Wild polioviruses were declared eradicated in the western Pacific in 2000, an achievement that was praised internationally and in which Japan played a major role. Actual levels of development vary widely from one country to the next, though, and there are continuing demands for development assistance in Africa and Asia. New issues have emerged, moreover, including global environmental problems, infectious diseases like HIV/AIDS, and peace building. Because Japan is currently facing great difficulties in improving its own economic and fiscal conditions, however, views critical of assistance have been voiced domestically. Accordingly, the ODA budget in the general account for fiscal year 2002 (April 2002 to March 2003) fell by 10.3% from the preceding year to ¥910.6 billion. There have also been growing demands for qualitative improvements in transparency, effectiveness, and efficiency, and the government must give due heed to these voices. Reflecting these views, the Final Report of the Second Consultative Committee on ODA Reform, submitted to Foreign Minister Yoriko Kawaguchi in March 2002, outlines concrete reform measures around such central concepts as public participation, the securing of transparency, and improvements in efficiency.

As the various problems confronting international society grow in both diversity and complexity, it is becoming increasingly difficult for the government alone to cover every aspect of Japan's contributions. In imple-

menting development assistance it will henceforth be necessary to advance the “three P’s” of “partnership,” taking full advantage of the breadth of experience, technology, and know-how accumulated by non-governmental organizations, private companies, universities, and local governments; eliciting the “participation” of broad segments of society; and encouraging “public-private interaction” through two-way dialogue. Of course, while the government must strive to seek the cooperation of and closer ties with NGOs and other sectors of society, it is also important for each citizen to personally deepen their ties with the international community. Broader participation in ODA activities can help revitalize Japanese society and fill young people with renewed hope.

Keeping these perspectives in mind and also taking note of changing domestic opinion and diversifying development-related issues around the world, this publication aims to provide a comprehensive and up-to-date picture of Japan’s ODA. The government is making an effort to gain the public’s fuller understanding of and support for its ODA program, the financial sources of which come from tax revenues, by clarifying its significance, ensuring its transparency, and achieving effective and efficient implementation. This publication is one facet of such an effort.



Part I

---

ODA IN THE TWENTY-FIRST CENTURY



# Chapter 1

---

## DEVELOPMENT CHALLENGES IN A GLOBALIZING WORLD

Japan first began providing aid in 1954.<sup>1</sup> In the intervening half century, the country has experienced vast changes, ranging from the reconstruction and high-paced growth of the postwar era to the prolonged economic difficulties of recent years. There have also been far-reaching changes in the developing countries that receive Japan's aid. The dramatic moves brought about by globalization since the 1990s have had a huge impact, both positive and negative, on development. Particularly significant has been the increased role that private financial flows play—in the form of trade and investment—in promoting development. The following analysis begins with an overview of the demand side of the aid equation: the circumstances facing developing countries. This is followed by an examination of the manner in which the international community, including Japan, has responded to the problems of the developing world.

### SECTION I. PROBLEMS IN DEVELOPING COUNTRIES

---

#### *(1) Globalization and Poverty*

The closing decade of the twentieth century saw the Cold War come to an end. There was also a marked shift towards globalization, primarily

through the transition to market-based economies. In addition, the international community experienced remarkable development owing to dramatic advances in information and communications technology (ICT), which was also the driving force for globalization. However, the benefits of globalization were not shared equally among all nations and all people. As a result, a widening gap emerged between nations that were able to reap the benefits of globalization and the many developing countries that were unable to take full advantage of such benefits. While globalization is an inevitable process, it is also extremely important that we redouble our efforts to ensure that all people on Earth are able to share fully in its fruits. If globalization advances while many developing countries are still unable to reap its benefits, the North-South problem will appear in new, even more sharply defined forms that could hinder its progress. Development problems have therefore become a core issue requiring a united response from the international community. The communiqué of the 2001 Group of Eight Summit in Genoa contained 36 paragraphs, 21 of which dealt with development issues in one form or another. This is symbolic of the growing importance of development issues to the international community.

As noted in the Introduction, one in five

---

1. Japan began to provide technical cooperation in 1954 after joining the Colombo Plan, an international organization established to promote economic and social development mainly through technical cooperation in countries of the Asia-Pacific region.



people in the world live on less than one dollar a day, which is regarded as the absolute poverty line. One in two people live on less than two dollars a day. As indicated by statistics like these, a solution to the poverty problem has become an urgent priority for the international community. Support for basic human needs (BHN), including food, health and medical services, safe drinking water, and basic education, is obviously crucial because of the direct implications for people's lives. At the same time, we also need to create the potential for medium- and long-term economic growth and to ensure that the fruits of growth are shared equally by all people of all social strata in developing countries.

A key factor determining whether or not developing countries can respond to globalization in ways that will enable them to use it to promote development is "ownership": their ability to establish and implement appropriate policies. Such policies include fostering free trade, stimulating private-sector activity, and laying the groundwork to attract foreign direct investment. Also essential is the establishment of social safety nets and other institutions to ensure that the poor are able to cope with the social instability resulting from sudden economic downturns associated with the globalization process—as seen in the 1997 Asian currency and economic crisis.

### *(2) Regional Conflicts and the Role of Development*

The world has witnessed numerous regional conflicts, especially in developing countries, since the end of the Cold War. These conflicts rob people of their livelihoods as well as their lives and quickly destroy the results of years of development efforts. The negative consequences for the countries involved and their neighbors are immeasurable.

Obviously, conflicts cannot be resolved or prevented without the political will and effort of the parties involved together with the wider international community. Nor will such efforts be effective unless the efforts of developing countries are steadily linked to nation-building initiatives through the establishment of fair and efficient social systems that lead to improvements in living standards and welfare. In addition to the use of development aid to provide emergency humanitarian relief when conflicts occur and to support recovery and reconstruction when they come to an end, there is also a need for continuing efforts to deal with the issues that cause conflict—namely, poverty, income gaps, and a lack of dispute-resolution mechanisms. Conflict prevention will require support for the establishment and reinforcement of "good governance," including antipoverty measures and democratization, in the political, economic, and social arenas.

The governments of most developing countries now recognize that promoting development through public participation requires democratic institutions and systems to support them. While good governance is an abstract concept, it has direct relevance to domestic politics in developing countries. Donor countries need to engage in frank dialogue with recipients and to exercise prudent consideration. This should be combined with innovative support for the nurturing of institutions and human resources that will allow the governments of developing countries to achieve transparency and accountability in their policies, prevent corruption, and encourage public participation in decision-making processes.

### *(3) Global Issues and Global Public Goods*

Many of the issues that confront developing countries directly affect the entire international community, including developed countries.

These include environmental issues—such as global warming and desertification—and infectious diseases like HIV/AIDS, malaria, tuberculosis, and polio, which have become the focus of rapidly growing international concern in recent years. These are important problems requiring the concerted efforts of both developing and developed countries. Development assistance should be used effectively so that developing countries can enhance their ability to respond to these issues and so that the entire international community can work together towards their resolution.

It is widely recognized that building and preserving public goods are essential to a nation's overall social stability and prosperity. The same is true in the international community, which is beset today by a growing array of increasingly serious problems. International “public goods” are those goods and systems of the international community that must be secured and built cooperatively so that the entire world can enjoy peace and prosperity and achieve sustainable development. Examples of international public goods include measures to counter global warming and to control infectious diseases, the reinforcement of the multilateral free-trade system, and the development of a stable international financial system. The ways in which their benefits can be secured are currently the focus of international debate.

One of the most important tasks of development assistance is to provide support for capacity building so that developing countries can participate fully in the efforts to obtain these benefits for the entire international community.

## SECTION 2. BUILDING AN INTERNATIONAL DEVELOPMENT PARTNERSHIP

---

The end of the Cold War has brought changes in ODA trends. In terms of the worldwide total,

ODA peaked in 1994 and then went on a downward trend until 1997. Some donors subsequently increased their efforts to reach International Development Goals (IDGs), and Japan also provided support in the wake of the Asian economic crisis. While factors such as these have led to an increase, present conditions seem to rule out a resumption of the sustained upward trend that existed prior to the 1990s in the foreseeable future.

However, the development needs of developing countries are still great, and the deployment of limited aid resources with optimal efficiency and effectiveness to achieve results in various fields remains a constant challenge. The international community as a whole is moving towards an approach to development assistance based on partnership and cooperation among diverse organizations. The aim of this approach is to build effective combinations of their resources, ranging from donor and recipient nations and international agencies to private-sector entities, including non-governmental organizations.

In addition, there is keen awareness of the importance of integrating trade and investment policies with those for development assistance because of the increasing role of private financial flows in achieving development.

### *(1) Development Targets Shared Among the International Community*

Numerous summits and international conferences were organized during the 1990s, especially by the United Nations. These provided the international community with forums to discuss initiatives in response to major development issues and to establish concrete goals. Key meetings included the World Summit for Children (New York, 1990), the World Conference on Education for All (Jomtien, Thailand, 1990), the United Nations Con-

ference on Environment and Development (Rio de Janeiro, 1992), the International Conference on Population and Development (Cairo, 1994), the World Summit for Social Development (Copenhagen, 1995), the Fourth World Conference on Women (Beijing, 1995), the Second United Nations Conference on Human Settlements (Istanbul, 1996), the World Education Forum (Dakar, 2000), the Okinawa International Conference on Infectious Diseases Control (Okinawa, 2000), the Third United Nations Conference on the Least Developed Countries (Brussels, 2001), the United Nations General Assembly Special Session on HIV/AIDS (New York, 2001), and the Interna-

tional Conference on Financing for Development (Monterrey, Mexico, 2002). These meetings produced specific, quantitative targets in areas such as poverty reduction, increased access to primary education, the elimination of gender disparities in education, the reduction of infant mortality, and the achievement of sustainable development. They also gave expression to the determination of the international community to work together towards the achievement of these goals.

In 1996 the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD)—a group of leading advanced donor

---

**Chart I. Major International Conferences Since the 1990s**

---

September 1990	World Summit for Children (New York)
March 1990	World Conference on Education for All (Jomtien, Thailand)
June 1992	UN Conference on Environment and Development (Rio de Janeiro)
June 1993	World Conference on Human Rights (Vienna)
September 1994	International Conference on Population and Development (Cairo)
March 1995	World Summit for Social Development (Copenhagen)
September 1995	Fourth World Conference on Women (Beijing)
June 1996	Second UN Conference on Human Settlements (Istanbul)
November 1996	World Food Summit (Rome)
June 1997	UN General Assembly Special Session on Environment and Development (New York)
June 1999	The UN General Assembly Special Session on the International Conference on Population and Development (New York)
April 2000	World Education Forum (Dakar)
June 2000	UN General Assembly Special Session: Women 2000 (New York)
June 2000	UN General Assembly Special Session: Social Summit + 5 (Geneva)
September 2000	UN Millennium Summit (New York)
December 2000	Okinawa International Conference on Infectious Diseases Control (Okinawa)
May 2001	Third UN Conference on the Least Developed Countries (Brussels)
June 2001	UN General Assembly Special Session on HIV/AIDS (New York)
March 2002	International Conference on Financing for Development (Monterrey, Mexico)

countries—published its New Development Strategy (“Shaping the 21st Century: The Contribution of Development Cooperation”).<sup>2</sup> Japan was instrumental in the formulation of this strategy, which identified seven specific International Development Goals (IDGs). The IDGs have since gained acceptance as shared objectives among the international community.<sup>3</sup> Major developed countries reaffirmed their commitment to the achievement of these goals at successive G8 Summits, and leaders of over 150 nations formally affirmed their determination to achieve the IDGs at the United Nations Millennium Summit in September 2000. Some donor nations have started to increase their development aid budgets with a view towards the realization of the IDGs.

## *(2) Diversification of Development Aid Entities*

As globalization gathered pace during the 1990s a growing range of organizations, including not only donor governments and international agencies but also private corporations, foundations, and international NGOs, emerged as key players in the field of development assistance. Communities and NGOs in addition to governments in developing countries have also started

to play a major role, reflecting the crucial importance of public participation in developing countries to the realization of effective and sustainable development. In addition, some countries have reached a stage of development where they are able to use their own development experience to provide assistance to others in specific regions or fields while still receiving aid themselves. There is particular interest in “South-South cooperation” in the Association of Southeast Asian Nations (ASEAN), which now places considerable importance on the correction of gaps among its member states through development assistance to its less developed members.<sup>4</sup>

The increasing diversity of development-related entities has been a major feature of trends in recent years.

## *(3) Promoting Aid Coordination*

With various aid entities working together to enhance the effectiveness and efficiency of development cooperation, the international community is moving increasingly towards a coordinated approach to assistance based on clearly defined development goals. This approach is known as aid coordination. In the

---

2. “Shaping the 21st Century: The Contribution of Development Cooperation” is the New Development Strategy of the DAC. The document was adopted by the OECD/DAC in May 1996 as a guideline for aid activities in the twenty-first century and established concrete goals for the improvement of living standards for all people and deadlines for the achievement of those goals. The goals are: (1) a reduction by one-half in the proportion of people living in extreme poverty by 2015; (2) universal primary education in all countries by 2015; (3) demonstrated progress toward gender equality and the empowerment of women by eliminating gender disparity in primary and secondary education by 2005; (4) a reduction by two-thirds in the mortality rates for infants and children under age 5 by 2015; (5) a reduction by three-fourths in maternal mortality by 2015; (6) access through the primary health-care system to reproductive health services for all individuals of appropriate ages as soon as possible and no later than the year 2015; (7) the current implementation of national strategies for sustainable development in all countries by 2005, so as to ensure that the current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015.

In terms of its approach towards the realization of these goals, the New Development Strategy stresses the importance of ownership (self-help efforts) of the developing countries as well as a new global partnership under which developed and developing countries share development responsibilities and make joint actions. For details see Part IV.

3. In the Millennium Declaration adopted as a resolution of the UN Millennium Summit, the seven IDGs became the Millennium Development Goals (MDGs). “The provision of universal access to reproductive health” in the IDGs was replaced with a goal to “combat HIV/AIDS, malaria, and other diseases” in MDGs. An eighth goal was added, calling for the formation of a global partnership for development. The UN also established detailed targets and concrete indicators to assess the progress towards each development goal.

4. For a discussion of South-South cooperation, see Chapter 2, Section 1 (3).

past, when donor governments and international agencies needed to coordinate their aid activities, there was a tendency to focus on coordination between donor governments and the international agencies, partly because recipient countries lacked coordination capabilities. Over the past few years, however, there has been growing recognition that development goals cannot be achieved without the initiatives of the developing countries themselves and unless developing countries, donor nations, international agencies, and other participants work together as partners. This change reflects the content of the OECD/DAC's New Development Strategy which included two key concepts: efforts by the developing countries themselves (ownership) and the importance of cooperation with developed countries (partnership). There has been a number of significant moves towards aid coordination in this context, especially by the World Bank and the International Monetary Fund (IMF).

First, the World Bank has adjusted its policies, which had previously given priority to the structural adjustments needed to drive the transition to market-based (privatized) economic systems. It has adopted a new approach, called the Comprehensive Development Framework (CDF), which encompasses not only economic but also social development.<sup>5</sup> Under this approach, the World Bank aims to

bring together various aid-related groups involved in development—donor governments, international agencies, NGOs, civil society, and so on—to establish a comprehensive framework within 10 to 15 years under the leadership of developing country governments. This new approach is highly significant because ownership of the developing countries is identified as a first priority and because the stress is placed on the need for developing countries to make their own decisions regarding the pace of initiatives in each area.

Second, poverty reduction has emerged as the top priority issue of aid to developing countries since the second half of the 1990s. The World Bank and the IMF have both adopted new approaches to this problem. In particular, the governments of developing countries and a wide range of aid entities work together under the CDF concept to formulate strategy documents, known as Poverty Reduction Strategy Papers (PRSPs), which define the respective roles of all participants. These strategies form the basis of effective aid for poverty reduction. The World Bank and the IMF have made the preparation and presentation of PRSPs a condition for assistance to heavily indebted poor countries (HIPC) under the Expanded HIPC Initiative<sup>6</sup> and for assistance under the Poverty Reduction and Growth Facility (PRGF) provided by the IMF in the form of loans from the

---

5. The Comprehensive Development Framework (CDF) is a development approach announced by the World Bank in 1999 on the basis of proposals put forward by President James Wolfensohn. The new approach reflects the World Bank's recognition that successful development cannot be achieved solely through macroeconomic stabilization efforts based on the traditional approach, which is centered on structural adjustment loans. In addition to macroeconomic policies, it focuses equally on the social sector, including health and education, and on issues that span multiple sectors, such as the environment and governance. Another focus is to encompass the roles of all development-related entities, including the private sector, civil society institutions like community organizations and labor unions, international agencies, donor nations, and NGOs.

6. The World Bank and IMF developed "the HIPC Initiative" in 1996 with the aim of reducing the debt of heavily indebted poor countries to a sustainable level. The initiative involved all creditors, including international financing institutions and the Paris Club creditor nations. Participants at the 1999 Cologne Summit agreed that debt relief should be "deeper, broader, and faster." By the fall of 1999 the IMF/World Bank Development Committee had finalized the details for "the Expanded HIPC Initiative" based on this agreement, and this was subsequently approved by the Paris Club.

International Development Association.<sup>7</sup>

Third, there has been an increasing trend in recent years towards the formulation of comprehensive development plans for specific sectors, such as education and health and medical care, especially in sub-Saharan Africa. Aid is provided under these plans, which are drawn up through consultation and coordination between the governments of developing countries and various aid providers, such as donor governments and international agencies. Such schemes are known as Sector-Wide Approaches (SWAs). In recent initiatives in certain African countries, such as Tanzania, the scope of coordination has been expanded to include not only planning but also the establishment of common funds in which financial resources can be pooled.

The increased emphasis on these new approaches reflects efforts to enhance the efficiency and effectiveness of aid through coordination between developing countries and aid providers, including donor governments and international agencies. In addition, steps are being taken to enhance the ability of the international community to respond to global issues by employing not only government but

also private-sector aid. A typical example is the Global Fund to Fight AIDS, Tuberculosis, and Malaria, which was established in January 2002 after its founding was declared at the G8 Summit in Genoa in July 2001. (See also undertakings against infectious diseases in Chapter 2, Section 2 (2).)

Slow growth in the world's total aid resources has prompted the emergence of a variety of experimental aid coordination initiatives as part of efforts to maximize the effectiveness and efficiency of aid. Despite the new emphasis on unity and coordination in the international community, however, major donors and international agencies cannot change their approaches to aid overnight. Moreover, excessive haste could disturb existing development aid activities. Japan's policy in this area calls for continuing aid coordination efforts, but it also emphasizes the need to proceed steadily, starting in areas where possible. Japan also believes that coordination should be based on consultation with various participants in the aid process, including the governments of developing countries, with situations in those countries fully taken into account.

---

7. The Poverty Reduction and Growth Facility (PRGF) is one of the support schemes established by the IMF in place of the Enhanced Structural Adjustment Facility (ESAF). Its creation in November 1999 was linked to the PRSP approach. The purpose of the PRGF is to incorporate both poverty reduction and growth as development goals more fully into support activities in the most impoverished countries.





## Chapter 2

---

### ODA'S ROLE IN PROMOTING PEACE AND PROSPERITY IN THE INTERNATIONAL COMMUNITY

Japan relies on other countries for much of its natural resources, energy, food, and other requirements. Its positive contributions to the growth and prosperity of developing countries in Asia and elsewhere serve to reinforce the peace and prosperity of the entire world, thus enabling the country to secure the respect and trust of the international community. This, in turn, holds great significance in maintaining and enhancing Japan's own peace and prosperity.

Official development assistance (ODA) continues to be an important foreign policy tool for Japan, helping the nation play a role commensurate with its status as a key member of the international community. Human resources development and technology transfer will be crucial to the evolution of developing countries in the twenty-first century. The promotion of ODA to contribute in these areas not only lays the foundation for national development but also helps to foster mutual understanding, friendship, and trust between Japan and the recipient countries. As mentioned in the Introduction, the international community confronts an increasingly serious and diverse array of global issues, including poverty, terrorism, the environment, infectious diseases, and refugees. Responding to these issues as well as securing global peace and prosperity requires urgent and comprehensive action. ODA can play a major role in resolving these issues. Increased attention is also being paid to the potential of

ODA in conflict prevention and peace building, which have hitherto been approached from the political and security perspectives. In this chapter, an analysis will be made of the contributions that development aid can make to the growth of developing countries and the achievement of world peace and prosperity in the twenty-first century. The priorities for Japanese aid will also be examined, with particular emphasis on people (human resources development and networking), the Earth (global issues), and peace (conflict prevention and peace building). The following is a brief summary of Japan's involvement in ODA.

Japan began providing technical cooperation after joining the Colombo Plan in 1954. Since then, Japan has focused its implementation of ODA mainly on Asia, reflecting its close geographical, historical, and cultural ties with Asian countries, which, even now receive approximately 60% of Japan's bilateral ODA. Overall, Japanese assistance has made a major contribution—through human resources development and the improvement of economic and social infrastructure—to the rapid economic development process that became known as the “Asian Miracle.” Such aid has attracted foreign direct investment from the private sector and contributed to the economic and social advancement of as well as stability in East Asia through the creation of social safety nets.

When the Asian currency and economic crisis struck in 1997, Japan promptly an-



nounced an aid package. In its 1999 “Development Co-operation Review Series: Japan,” the Development Assistance Committee of the OECD acknowledged that Japan’s aid was a “key element in helping to maintain stability and to move from crisis to recovery.” It has also been frequently acknowledged that this type of

support has enhanced Asian countries’ confidence in Japan.

Asian countries are now emerging from the crisis and searching for ways to advance their economic development through closer regional cooperation. Such reinforcement of regional ties has long been a priority for Japan, which is

## TOPIC I. FIFTIETH ANNIVERSARY OF THE COLOMBO PLAN

---

On October 6, 1954, the Japanese government adopted a cabinet decision to become a member of the Colombo Plan and launched government-based technical cooperation activities on that day.

The Colombo Plan was the first international agency established to assist developing countries after World War II. Its formal name is the Colombo Plan for Cooperative Economic and Social Development in Asia and the Pacific. Its objectives are to promote economic and social development and raise living standards in the Asia-Pacific region, primarily through technical cooperation. The Colombo Plan’s activities commenced in 1951.

Japan’s dramatic development in the postwar period was made possible through the assistance received from international organizations like the World Bank and the United Nations Children’s Fund (UNICEF) as well as from foreign governments. Japan received food, clothing, and other relief supplies in addition to financial assistance for the construction of railways, roads, and other infrastructure. Japan’s participation in the Colombo Plan marked its transition from an aid recipient to an aid donor. In 1987 Japan decided to commemorate this historic milestone by designating October 6—the date it joined the Colombo Plan—as “International Cooperation Day.” Every year on this date, the International Cooperation Festival and related events are held throughout the country.

The fiftieth anniversary of the Colombo Plan in 2001 was marked with a ceremony and the holding of the thirty-eighth session of the Consultative Committee in Colombo, Sri Lanka. Those attending the ceremony included the prime minister of Sri Lanka and the Japanese ambassador to that nation. Speakers looked back on activities over the past 50 years and emphasized the need to take advantage of advances in information and communications technology (ICT). They also stressed the importance of South-South cooperation. Apart from the events stated above, the anniversary was marked by the publication of an anniversary booklet and the issuance of commemorative stamps and coins. There was also a painting contest for schoolchildren.

As noted by speakers at the ceremony, the Colombo Plan has in recent years put considerable effort into South-South cooperation in response to a proposal from Japan. Donations for this purpose amounted to \$300,000 in fiscal year 2001. The initiative to promote South-South cooperation is in keeping with the spirit of Japan’s ODA Charter, which was adopted by the cabinet in 1992. South-South cooperation is also one of the priorities identified in Japan’s Medium-Term Policy on ODA, which was announced in 1999.

using development aid to build regional networks, revitalize trade and investment, stabilize financial systems, and support environmental initiatives. In these ways, Japan is helping to provide the region with public goods, such as the establishment of an economic infrastructure needed for stable and sustainable economic growth, as well as environmental protection.

Prime Minister Junichiro Koizumi reaffirmed the importance Japan places on the Association of Southeast Asian Nations (ASEAN) during a visit to five member countries in January 2002, where he spoke extensively about the future of Japan-ASEAN cooperation. He outlined Japan's basic stance of "acting together—advancing together" with ASEAN as "A Sincere and Open Partner" in response to changes in the international situation. The concepts proposed by the Prime Minister included cooperation toward increased "prosperity" along with support for reform as well as cooperation for the sake of "stability" through joint undertakings to tackle "transnational issues" and others. Looking to the future, Prime Minister Koizumi also proposed the initiative for "Japan-ASEAN Comprehensive Economic Partnership" to strengthen broad-ranging economic partnership and called for the holding of "the Initiative for Development in East Asia" (IDEA) conference to discuss the future of regional development. Other ideas put forward by the Prime Minister concerned education and human resources development, including the promotion of personnel exchange among universities.

Japan's development assistance, however, is certainly not limited to Asia. Africa in particular is affected by many complex problems, including poverty, infectious diseases, and conflicts. In January 2001 then Prime Minister Yoshiro Mori became the first Japanese prime minister to visit sub-Saharan Africa while in

office. He spoke of a new relationship with Africa based on the view that "there will be no stability and prosperity in the world in the 21st century unless the problems of Africa are resolved." Japan has hosted the Tokyo International Conference on African Development (TICAD) twice as part of its efforts to focus the international community's attention on Africa's development. It has also emphasized the need for ownership by African nations and partnership with the international community. In December 2001 Japan hosted a TICAD ministerial meeting in preparation for TICAD III. At that meeting, Japan emphasized the importance of Africa's development to an international community facing the threat of terrorism. It also formally announced that it would host TICAD III in the second half of 2003.

#### SECTION I. HUMAN RESOURCES DEVELOPMENT, BUILDING NETWORKS AND EMPOWERMENT: FOR THE SAKE OF PROSPERITY

---

The empowerment of individuals in developing countries to realize their latent potential, participate fully in social and economic activities, and act against threats to their livelihoods is not only the objective of development but also one of the most effective means of assistance.

At the national level, the success or failure of medium- and long-term efforts by the developing countries themselves hinges on the ability to nurture and engage highly capable human resources to spearhead development. These countries' self-sustaining development requires the creation of institutions to enable them to adapt to globalization and the reinforcement of training and other people-based systems. There is much expectation of support for human resources development. In the summit declaration of the October 2001 Asia-Pacific Economic Co-

## TOPIC 2. IMPROVING BASIC EDUCATION THROUGH THE JICA PARTNERSHIP PROGRAM

— IMPROVED ACCESS TO PRIMARY EDUCATION IN RURAL AREAS  
THROUGH COMMUNITY PARTICIPATION PROJECT: CAMBODIA—

---

In 1970 Cambodia entered a period of civil war and oppression that continued for more than two decades. As a result, the nation lost considerable human and material resources during that time. The Pol Pot regime, which took power in 1975, destroyed Cambodia's educational infrastructure. As a result, Cambodia now faces an absolute shortage in the human resources that it needs to propel its reconstruction and recovery. Since the signing of the Paris Peace Agreement in 1991, the improvement of the educational environment has emerged along with the improvement of economic infrastructure and public health systems as a key priority in recovery and reconstruction policies. However, Cambodia's old educational facilities are becoming more and more inadequate in accommodating its growing child population, while teacher-training programs remain unable to keep pace with demand.

To deal with these situations, in 2000, JICA launched the Improved Access to Primary Education Project to improve the basic educational environment through the participation of local residents. This was carried out as part of the JICA Partnership Program where JICA commissioned an NGO, the Shanti Volunteer Association (SVA).

The project proposed by the SVA was not only limited to "hardware" aspects of education, such as the construction of school buildings and the provision of wells and toilets but also covered support at the "software" level in response to qualitative and quantitative shortfalls in teaching materials and personnel. For example, the SVA has been applying its knowledge of picture-book publication and distribution to teacher training and the improvement of teaching materials as well as to the management of school libraries.

To ensure the success of such projects, it will also be necessary to improve the organizational capabilities of local communities. The SVA is working to establish a community participation framework based on traditional Cambodian systems, emphasizing the role of "development monks." They are Buddhist priests who promote activities together with local people to improve community life through such means as reducing poverty and protecting the environment. Cambodia has a long Buddhist tradition, and its people are very religious. Therefore, Buddhist temples, where people gather to hear sermons, play a central role in culture and education. Development monks are respected for their breadth of knowledge, and so it has been of great importance to promote residents' awareness of community development and their ability to organize activities by fostering abilities of Buddhist priests. With this recognition, the SVA is helping to train them.

Development partnership projects that tap into the knowledge of NGOs can implement projects that more closely match local needs. Cooperation with NGOs and other private groups is becoming increasingly important, and it is expected that these partnership schemes will continue to be used not only in education but in a wide range of other fields as well.

operation (APEC) forum meeting, leaders confirmed that human resources development would continue to be a core priority in the years to come.

To keep pace with the rapid changes brought about by globalization, developing and developed countries need to work together to build both tangible and intangible human networks and establish cooperative relationships that provide prompt access to and the sharing of necessary information and support. Dramatic advances in information and communications technology have facilitated such networking. In a growing number of cases, ICT is being applied with considerable effectiveness to actively promote human resources development.

The following is an overview of efforts in these areas. Aspects covered include basic education, which is crucial to human resources development, the nurturing of human resources and the provision of expertise to assist in adapting to a globalizing world, and the promotion of wide-area cooperation and South-South cooperation towards the networking of these efforts.

### *(1) Basic Education*

Japan sees human resources development as the key to national development. This view is based on Japan's own experience and its experience of development cooperation in East Asia. Support for basic education is one of the "priority issues and sectors" cited in the Medium-Term Policy on ODA. The Dakar Framework for Action, which was adopted at the World Education Forum in April 2000, identifies universal access to basic education and the provision of quality education as shared priorities for unified efforts by the international community. The Group of Eight nations (G8) affirmed their commitment towards the achievement of the goals set down in the Dakar Framework at the Genoa Summit in 2001.

In providing support in the area of basic education, it is vital from the point of beneficiary-oriented view to focus on empowerment—upgrading skills like reading, writing, and arithmetic that allow people in developing countries to function properly in their societies. Another priority is to raise awareness among parents and educators of the importance of education to regional development in order to ensure children's attendance in school. It is also crucial to provide fine-tuned support that matches local needs. NGOs, the Japan Overseas Cooperation Volunteers (JOCV) program, and the Senior Volunteer program have all made valuable contributions as providers of finely tuned field support in developing countries. It is also important to recognize that the achievement of "education for all" will require total community participation in education, including not only children but also parents, young people, and adults.

It should be noted that science and mathematics in the basic education curricula play a crucial role in nurturing business administrators, technical personnel, and other human resources needed in sectors that are crucial to national and economic development, including agriculture, forestry, and fisheries; ICT and other manufacturing industries; and the financial sector, which is indispensable to a successful transition to a market-based economic system.

### *(2) Nurturing of Human Resources and Provision of Expertise*

In order to integrate with and benefit from a world economy that is being transformed by an accelerating process of globalization, developing countries, including transition countries, need to build market-oriented domestic economic systems, formulate and implement policies that enable liberalization of trade and investment,

and improve the legal systems and administrative institutions that support the implementation of these policies.

Another priority is the establishment of

mechanisms to protect weaker members of society—the destitute, women, children, and the aged—from the various shocks that accompany the globalization process. In recent years, it has

### **TOPIC 3. PROMOTING HUMAN RESOURCES DEVELOPMENT WITH YEN LOANS**

—HIGHER EDUCATION LOAN FUND PROJECT: MALAYSIA—

Malaysia is important to Japan both politically and economically, and the two countries are linked by a relationship of close interdependence, especially in the fields of trade and investment. Malaysia has been a pro-Japan country which makes efforts to learn from Japan especially since Prime Minister Mahathir bin Mohamad proposed the Look East policy in 1981.\* Since 2001 Malaysia has been working towards its evolution as a “K-economy” (knowledge economy) through national economic development under the Eighth Malaysian Plan. The training of people with specialist knowledge and technical skills is an urgent priority, and Japan is supporting Malaysia’s efforts to achieve qualitative and quantitative improvements in its institutions of higher learning, especially in the fields of science and engineering. One example of this is the yen loan provided through the “Higher Education Loan Fund Project.”

The aim of the project is to train engineers needed for Malaysia’s economic development by enabling students to attend the science and engineering faculties of Japanese universities after completing their education in Malaysia. The loans are distributed through an educational foundation in Malaysia to meet study-related costs, such as Japanese-language training, and to provide overseas study scholarships. To reduce the cost of studying in Japan, a “twinning program,” the transfer system for the undergraduate level, was introduced in 1999.

During the first phase of the program, approximately 300 students studied in Japan between 1995 and 1999. There are plans to accept another 400 students during the second phase.

Training in Malaysia includes Japanese-language instruction. “The teachers lecture in Japanese, and the students use Japanese textbooks and take notes in Japanese,” said one of the monitors of the Monitoring Group of Citizens on Japan’s ODA, who observed activities in fiscal year 2000. “The students are extremely motivated.” The students have also expressed satisfaction with the scheme. A student who arrived in Japan in 1997 mentioned, “I’ve made many friends and am becoming used to life here. I am enjoying my studies in Japan.” These students will not only contribute to Malaysia’s economic development but are also expected to remain friends of Japan as they pursue their careers in various parts of the world.

---

\* The Look East policy was implemented by Malaysia in 1982 with Japanese cooperation. It emphasizes the importance of human resources development to long-term economic growth. It ascribes the secret of Japan’s economic success to the work ethic, motivation, and management skills of its workers and to the Japanese national characteristics of morality and commitment to education and learning. One of its aims is to send Malaysian students to Japan to learn these attributes.

also become necessary to coordinate efforts with international aid programs by formulating Poverty Reduction Strategy Papers (PRSPs) and sectorwide development plans as frameworks for development efforts.

Japan responds to this demand for high-level assistance in “software” in various ways, including the dispatch of policy advisors and help in improving developing countries’ legal systems. Japanese trade and investment professionals as well as experts in such fields as economics, jurisprudence, and infrastructure work closely with the government officials in developing countries responsible for economic reform and other policymakers. This process helps build mutual trust, leading to policymaking support projects, where Japan provides advice on long-term development policies that truly match the needs of each developing country. This approach has attracted considerable attention as an example of a uniquely Japanese way of providing expertise. Typical of this approach is the “Study on the Economic Development Policy in the Transition toward a Market-Oriented Economy in the Socialist Republic of Viet Nam.”

To ensure the sound development of local industries and facilitate technology transfers from abroad, developing countries must also provide adequate protection for intellectual property rights. Japan will need to provide support for institution building so as to promote developing countries’ undertakings in this field.

It is also vital to enable people in developing countries to respond to economic and social development needs and rapid structural changes brought about by globalization. Developing countries thus harbor great expectations of support in the area of human resources development. Japan provides such support in a

broad range of fields in ASEAN and other economies, solidifying their industrial structures by promoting the growth of small and medium-sized businesses—which form the backbone of industry—and strengthening the function of human resources training institutions.

### *(3) Promoting Wide-Area and South-South Cooperation*

South-South cooperation refers to the assistance that more advanced developing countries provide by using their own development experience and human resources for other developing countries. Wide-area cooperation, meanwhile, occurs between neighboring countries with relatively similar social structures, cultures, and economic conditions. The types of technology and knowledge that can be transferred in both cases are similar, and aid can be provided at comparatively low cost. It is thus extremely important to encourage these approaches, which have benefits in terms of both the efficiency and cost-effectiveness of development cooperation. South-South cooperation and wide-area cooperation not only help strengthen international partnership and expand aid resources but also foster personnel exchange among developing countries, contribute to regional stability, and encourage good-neighborly relations.

Japan provides support to South-South cooperation through such schemes as “third country training,”<sup>8</sup> whereby technology transferred from Japan is used in programs for trainees from neighboring countries, and “third country experts”<sup>9</sup> programs, under which trained personnel from developing countries are dispatched as experts to other developing countries. For example, when the “Jomo Kenyatta

---

8. In fiscal year 2000, 2,246 trainees were accepted in 29 countries.

9. In fiscal year 2000, 125 experts were dispatched.



## TOPIC 4. DEVELOPMENT OF THE GREATER MEKONG SUBREGION

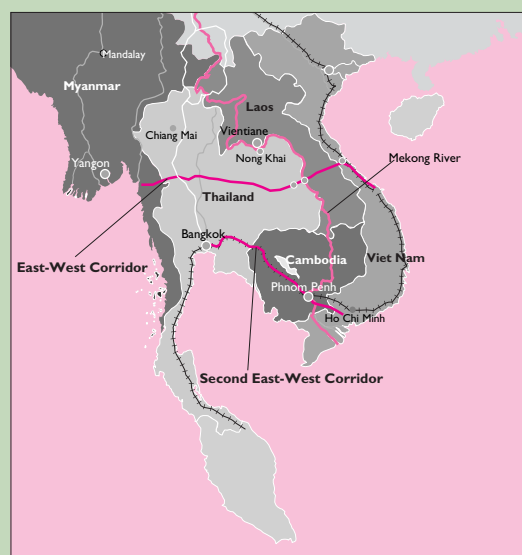
The 4,900 km Mekong River flows through Cambodia, Laos, Myanmar, Thailand, Viet Nam, and Yunnan Province in China. With an area of 795,000 km<sup>2</sup>, the Mekong basin is more than twice as large as Japan. The region is richly endowed with a broad range of resources and has a population of approximately 250 million. The concept of “Mekong Subregion Development” is wide-area development spanning all the countries and regions in the Mekong basin. The anticipated benefits include stronger ties among countries in the region, the elimination of imbalances within ASEAN through efforts to foster development among the newer ASEAN members, and closer regional integration.

Development of the Mekong basin began to attract international interest in the early 1990s, reflecting Indochina’s increasing stability. The pace of activity slowed down after the 1997 crisis that struck many Asian economies, but the level of interest has started rising again with their recovery. Development of the Mekong basin has been a special priority since 1999, when ASEAN was expanded to 10 nations, due to the need to reduce intraregional disparities. In June 2000 the UN Economic and Social Commission for Asia and the Pacific (ESCAP) resolved to make the period from 2000 to 2009 “the Decade for Development of the Mekong River Basin.”

The development of the Mekong basin has long been a priority for Japan. Starting with its January 1993 proposal for the establishment of the “Forum for the Comprehensive Development of Indochina,” Japan has taken international initiatives to maintain and strengthen the development drive, including the hosting of ministerial meetings, symposiums, workshops, and other meetings. It has provided concrete support, including yen loans for the construction of the Second Mekong International Bridge between Thailand and Laos. It has also actively conferred both “hardware” support (for infrastructure like roads, bridges, and ports) and “software” assistance (such as for development surveys) on the projects related to the building of the trans-Indochina “East-West Corridor” aimed at developing infrastructure for transportation such as roads, bridges and ports.

In July 2001 Japan and the Asian Development Bank (ADB) dispatched a joint survey mission to the region. The findings of that survey were reflected in the announcement, made during the ASEAN plus Three summit meeting and the Japan-ASEAN summit in November 2001, that future cooperation would focus on transforming the “East-West Corridor” into an East-West Economic Corridor and on the construction of a “Second East-West Corridor” linking Bangkok, Phnom Penh, and Ho Chi Minh City.

As the top donor for development efforts in the Mekong basin, Japan intends to work closely with local governments and with other major donors, including the ADB, to promote further development.



University of Agriculture and Technology” (JKUAT) was established in Kenya to provide training in agricultural and industrial technology, Japan provided a package of financial and technology assistance that included the construction of university buildings, the provision of equipment and resources, and the dispatch of experts. Today the “African Institute for Capacity Development” (AICAD) project is being implemented to train researchers and professionals throughout Africa through third country training and other means with JKUAT as a focal point.

With the advance of globalization, Japan has placed increasing emphasis on support for wide-area infrastructure development projects whose locations and benefits span several countries. One example is the rebuilding of the old Chirundu Bridge on the Zambia-Zimbabwe border in southern Africa, a crucial part of a transportation network linking the continent’s interior with the Indian Ocean. It is vital to the region’s overall economic development as the conduit for flows of people and goods. Wide-area development under “the Mekong Sub-region Development” project, meanwhile, is a priority for the countries of the Mekong basin. As one of its “flagship projects,” Japan has for many years worked closely with the Asian Development Bank (ADB) to support the development of the East-West Corridor, an infrastructure for transportation running west through the Mekong region from central Viet Nam. Notes were exchanged in September 2001, for example, for a yen loan to finance the construction of “the Second Mekong International Bridge” at the Thai-Laos border. Furthermore, as announced at the ASEAN-plus-Three summit meeting in November 2001, Japan intends to focus its future cooperation efforts on “the East-West Corridor” concept, the aim of which is to propel real eco-

nomie growth and reduce poverty in areas along the corridor while also reinforcing the “software” aspects of development. Another focus will be a “Second East-West Corridor,” which calls for roads stretching from Bangkok to Phnom Penh and then to Ho Chi Minh City and which is expected to play an important role as an “Asian Highway.”

“The Southeast Asia Engineering Education Development Network” (SEED-Net) is a recent example of the successful linking of regional and “software” cooperation. Established in April 2001, it encompasses 19 leading universities in the 10 ASEAN member countries. The aim is to improve university education in engineering and reduce intra-ASEAN disparities through academic opportunities in other ASEAN countries for master’s degree candidates and in Japan for doctoral candidates, and the dispatch of researchers from Japan. The network also provides research grants and organizes seminars. SEED-Net is expected to accelerate human resources development for the information-technology age while strengthening academic and industrial networking between Japan and ASEAN through personnel exchanges.

## SECTION 2. ADDRESSING GLOBAL ISSUES FOR THE SAKE OF COEXISTENCE

---

The trend towards globalization has been paralleled by the emergence of problems affecting countries around the world, such as global warming and the spread of infectious diseases like HIV/AIDS. A united response by the international community is not only essential towards resolving these problems but also in the best interest of all countries. As a nation that relies heavily on other countries for its resources and markets, Japan must coexist harmoniously with developing countries in Asia



and elsewhere and make determined efforts to overcome global problems to ensure its own continuing prosperity and stability.

While food shortages and drugs are also pressing global issues, the analysis below focuses on environmental problems and infectious diseases, which have been the targets of concerted undertakings by the international community in recent years.

### *(1) Global Environmental Issues*

There is growing concern about the global environment, including the impact of global warming—caused by greenhouse gases like carbon dioxide—on ecosystems. In fact, the emission of these gases is rising. This is because of rapid urbanization and industrialization that developing countries are going through as well as the existing output from developed countries.

Apart from global warming, there is also concern about environmental degradation resulting from development activities and the erosion of the environmental foundations closely related to poverty in developing countries. If this situation is not rectified, it could lead to the destruction of the irreplaceable Earth's ecosystem.<sup>10</sup>

To deal with environmental issues, it will be necessary to break the vicious circle of environmental destruction and achieve “sustainable development.”<sup>11</sup> This requires closer

cooperation between developing and developed countries and increased efforts by the international community as a whole. Japan experienced serious environmental problems during its postwar high-growth era. These problems were overcome—and economic growth was reconciled with environmental conservation—as a combined result of technological innovation in the private sector, government policies, and local government initiatives. Today Japan has a comparative advantage in this area and can make a valuable international contribution by properly transferring its technology and experience to developing countries through its ODA.

Environment-related cooperation is a major priority for Japan. For example, one of the key principles espoused in “Japan's ODA Charter,” which was approved by the cabinet in 1992, is the pursuit of development in tandem with environmental conservation. At the UN General Assembly Special Session on Environment and Development in 1997, Japan announced the Initiatives for Sustainable Development (ISD) Toward the Twenty-first Century, which provide increased development assistance across a broad spectrum of environment-related issues, including atmospheric pollution, global warming, and protection of the natural environment.<sup>12</sup> Japan also announced “the Kyoto Initiative” as measures against global warming on the occasion of the Third Session of the Con-

---

10. Examples include overgrazing, unsustainable slash-and-burn agriculture, excessive harvesting of firewood, and illegal logging.

11. “Sustainable development” is a concept advocated in 1987 by “the World Commission on Environment and Development.” It is defined as development that “meets the needs of the present without compromising the ability of future generations to meet their own needs.” This concept was extremely significant, since it introduced the viewpoint that environmental conservation is crucial to future development. In recent years, there has been growing acceptance of sustainable development as a comprehensive concept that encompasses the economic, social, and environmental implications of development.

12. The Initiatives for Sustainable Development (ISD) Toward the 21st Century focus on six areas (air and water pollution and waste disposal, global warming, nature conservation, freshwater problems, public awareness of the environment, and promotion of strategic research). The three basic principles of the action plan are human security, self-help efforts, and sustainable development.

ference of the Parties to the UN Framework Convention on Climate Change (UNFCCC COP 3), held in Kyoto in December 1997.<sup>13</sup>

The key to successful environmental cooperation is support for human resources development and enhancement of policymaking and implementation capabilities so that developing countries can intensify their own undertakings for the environment. A distinguishing feature of Japanese environmental cooperation is the “center approach.” Because development has often been given priority over environmental protection in developing countries, capacity building in the agencies responsible for environmental protection is crucial. Under the center approach, Japan provides concentrated support to “environmental centers,” which are expected to become hubs for environmental administration, using a package of financial and technical assistance that includes dispatch of experts, the acceptance of trainees and the provision of equipment and financial assistance. Specific cooperation based on this approach began with assistance to Thailand’s “Environment Research and Training Center” in 1990. Since then it has also been applied in Indonesia, China, Chile, Mexico, and Egypt. Centers in these six countries are also expected to function as bases for environment-related assistance to neighboring countries. (See Section 1 (3) of this chapter for a discussion of South-South cooperation.) Several centers, including the one in Mexico, are already involved in activities of this type.

In fiscal year 2000, Japan’s environmental ODA amounted to ¥452.5 billion (on a com-

mitment basis), equivalent to 32% of Japan’s total aid.

With regard to global warming, the reconvened UNFCCC COP 6 (July) and COP 7 (October and November) were held in 2001. Under the Kyoto Initiative, Japan has been providing bilateral ODA amounting to \$2.4 billion a year to support measures against global warming. Japan’s efforts in this area received high praise at the reconvened COP 6 session. COP 7 resulted in an agreement on specific aspects of the implementation of the Kyoto Protocol, including the Clean Development Mechanism (CDM) for low-emission development. The use of ODA for CDM projects is vital since they contribute both to sustainable development and the reduction of greenhouse gas emissions in developing countries.

In 2002, which marked the tenth anniversary of the 1992 UN Conference on Environment and Development (UNCED, or the Earth Summit), “the World Summit on Sustainable Development” (WSSD) will be held in Johannesburg, South Africa, to review the comprehensive efforts of the international community under “Agenda 21.”<sup>14</sup> It is very important for Japan to contribute towards efforts to address environmental issues that confront the international community by actively leading debate in the international community and by continuing to provide development aid based on its own experience and technology.

## *(2) Controlling Infectious Diseases*

Infectious diseases like HIV/AIDS, tuberculosis, and polio affect “human security” because they

---

13. The Kyoto Initiative has three key fronts: (1) Human resources development in combating global warming (3,000 personnel over a five-year span starting in fiscal year 1998); (2) Expanded application of special yen loan terms to projects aimed at addressing global warming; (3) Transfer of the technology and know-how amassed by Japan in the process of tackling its own domestic issues of pollution and energy saving.

14. Agenda 21 was adopted at the 1992 Rio Summit as a concrete action program to be implemented by nations and international agencies to achieve sustainable development in the twenty-first century. It focused on social and economic factors, such as population, poverty, and housing problems, as well as air and water pollution, biodiversity, and waste.

pose a threat to human lives. They also impede the economic and social evolution of developing countries because they push up the cost of countermeasures and can cause the deaths of many experts and professionals. Increased human mobility has meant that these diseases now spread

quickly across national borders and may come to affect all of humankind.

As chair of the 2000 G8 Kyushu-Okinawa Summit, Japan actively raised the issue of infectious diseases as one of the main topics of debate and played a pioneering role among G8

## **TOPIC 5. BALANCING TOURISM WITH PROTECTION OF CORAL REEFS**

— COMPLETION OF THE PALAU INTERNATIONAL CORAL REEF CENTER —

The Republic of Palau consists of over 200 islands, the majority of which are formed from some of the most richly diverse coral species in the world. The surrounding coastal waters are also full of coral. Palau is pursuing economic self-sufficiency through the development of tourism, fisheries, and agriculture, and it regards the development of a tourism industry centering on its coral reefs as its biggest priority. However, coastal development and abnormal weather conditions over the past several years have started to affect the coral reefs and some of their biological resources. As a result, it has become necessary to study the ecosystems of coral reefs and raise the awareness of the public about their conservation.

In accordance with the desire of the government of Palau to establish a research center for coral reef conservation, Japan provided grant aid for such a facility—under the terms of the 1995 “International Coral Reef Initiative”—as a focal point for coral reef research in the Pacific region. The Palau International Coral Reef Center project was launched jointly in 1996 by Japan, the United States, and Palau as part of the “Japan-US Common Agenda,” which aimed to facilitate cooperation between Japan and the United States in tackling global issues.

Since its opening in January 2001, the center has been monitoring coral reef ecosystems and studying conservation methods under the guidance of Japanese experts dispatched as part of Japan’s technical cooperation. At the same time, the center’s research staff has been invited to Japan for training.

As the coral monitoring base for Micronesia, the center also conducts information exchange activities and opens its experimental facilities to researchers from around the world. Apart from conducting scientific activities, the center also maintains an aquarium that is open to the general public. The facility is expected to attract a large number of visitors, including local elementary and junior high school students and foreign tourists. Around 70,000 foreign visitors come to Palau each year, and tourism is the nation’s biggest industry; the center is expected to become a new tourist attraction.

At the same time it will help to reconcile tourism with conservation through its environmental education activities.

Another focus of activities at the center will be the utilization of coral resources, including the development of new medicines. In the future it is hoped that it will play a role in human resources development in the Pacific region as a regional research base.

nations by announcing the “Okinawa Infectious Diseases Initiative” (IDI). Under this initiative, Japan intends to provide assistance of approximately \$3 billion over five years. In addition to efforts to combat specific diseases, the initiative also provides for cooperation in such areas as

the improvement of public health, the establishment of research networks, basic education, and water supply. For the support of developing countries, which is based on this initiative, Japan will utilize our own experience such as Japan’s sharp drop of the tuberculosis mortality rate

## **TOPIC 6. A GREENERY PROMOTION PROJECT IN KAREGORO: NIGER**

In addition to the threat of HIV/AIDS and other infectious diseases, Africa also faces the serious problem of desertification. “The Project to Cooperate with Stimulation of Greenery in Karegoro,” in Niger, aimed to prevent desertification and raise living standards of local people not by large-scale desert afforestation but through an “agro-forestry approach” based on a combination of forestry and agriculture. Using this approach, forestry activities allow farmers to continue growing crops on their land, which, in turn, will lead to the greening of the region. Over a period of eight-and-a-half years from the beginning of 1993, Japan sent JOCVs to 22 villages to conduct activities in the four fields of forestry, vegetable cultivation, fruit growing, and community development.

Under this project, approximately 340,000 saplings were distributed over an eight-year period, and about 70% have been planted. The project also resulted in the dissemination of technology, including the cultivation of choice onion varieties and the grafting of mango trees. Training was provided so that local people would be able to continue to plant trees and sell crops after the project’s completion. This has been reflected in improved incomes and living standards of the producers.

The introduction of more efficient cooking stoves, meanwhile, reduced consumption of firewood for fuel, thereby helping to prevent excessive logging. The new stoves enabled cooking in any weather, and because the time required to collect firewood was reduced, women have been spending more time looking after their children. Approximately 1,000 new stoves have been built and are being used in various villages.

Particular importance was placed on community participation and the education of local people in this project. Villagers learned about environmental destruction in their region and about activities under the greenery project through videos shown at “night classes” held each year, which attracted a total of over 30,000 participants over a seven-year period up to 1999.

The greenery project has been extremely popular in Niger. The completion ceremony in June 2001 received wide coverage in local newspapers, offering an excellent opportunity to inform many people in Niger of the JOCV program.

Some problems still need to be worked out, but it is nonetheless very significant that villagers are now aware of the importance of preserving greenery and of improving their lives through their own efforts. It is hoped that local residents will make further strides towards self-reliant development.

during the postwar era by making the improvement of public hygiene the core of its primary health care system<sup>15</sup> and the elimination of malaria in Okinawa. Japan is now using its experiences to assist developing countries.

In December 2000 Japan hosted “the Okinawa International Conference on Infectious Diseases Control” as a part of the follow-up process of the Kyushu-Okinawa Summit. The aim of the meeting was to extend the G8 initiatives against infectious diseases to the entire international community at both the governmental and non-governmental levels. Representatives of the G8, developing countries, international agencies, and NGOs discussed specific measures to combat infectious diseases. At the meeting, Japan emphasized the importance of partnership and coordination among all aid entities.

A concrete example of concerted action by the international community against an infectious disease was the Kyoto Meeting on Poliomyelitis Eradication in the Western Pacific in 2000. At this meeting—sponsored by the World Health Organization (WHO), Japan’s Ministry of Health and Welfare, and Ministry of Foreign Affairs—the Western Pacific was declared free of polio. This was the cumulative result of efforts by the WHO, UNICEF, and other international organizations to promote “National Immunization Days” (NIDs) and of the provision of the polio vaccine by donor countries, including Japan. Developing countries and civil society also worked in partnership to promote polio immunization within the community.

The Kyushu-Okinawa Summit has led to strengthened initiatives by the international community and to an expanded discussion of infectious diseases at subsequent international meetings, including “the African Summit on HIV/AIDS, Tuberculosis, and Other Infectious Diseases” (Nigeria) in April 2001, the UN General Assembly Special Session on HIV/AIDS in June 2001, and the G8 Summit in Genoa in July 2001. The special session of the General Assembly was especially significant, since it provided increased impetus for the early establishment of a fund to control infectious diseases. At the G8 Genoa Summit, the UN secretary-general and the leaders of the G8 nations announced the establishment of the Global Fund to Fight AIDS, Tuberculosis, and Malaria. Japan has played a leading role in this area, and it intends to strengthen its support, including a \$200 million donation to the fund, which was established in January 2002.

### SECTION 3. CONFLICT PREVENTION AND PEACE BUILDING: TOWARDS PEACE

---

Since the end of the Cold War, conflicts based on ethnic or religious differences have come to the fore, resulting in the proliferation of conflicts within as well as between nations. Many of these conflicts have occurred in developing countries, especially in Africa.

Armed conflict affects Japan’s own security and prosperity, which rely on the existence of peace and prosperity in the international community. It also presents a serious threat to “human security,” which is a key focus of

---

15. “Primary health care” is care that is available to anyone in a community at a cost that reflects their living standards, using methods that are both scientifically valid and socially acceptable. This form of health care is vital to human life. PHC includes (1) health education, (2) the improvement of the food supply and nutritional conditions, (3) the supply of safe drinking water and hygiene management, (4) maternal and infant health care (including family planning), (5) preventive inoculation, (6) prevention and control of endemic diseases, (7) appropriate treatment for common diseases and disabilities, and (8) the supply of essential medicines.

## TOPIC 7. A NETWORK FOR INFECTIOUS DISEASE CONTROL

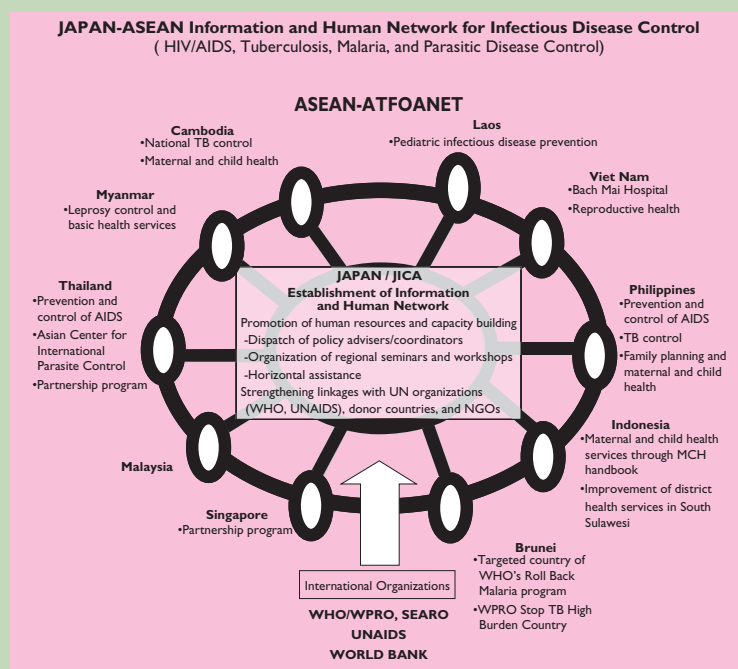
### — JAPAN-ASEAN INFORMATION AND HUMAN NETWORK FOR INFECTIOUS DISEASE CONTROL —

HIV/AIDS has spread in recent years to all parts of the world, and ASEAN is no exception; at the end of 1999 approximately 1.8 million people in the region were infected by the virus. This situation is reflected in a shared and growing awareness among ASEAN members that no single country can respond adequately to the problem of infectious diseases and that a regional response is needed. A networked response to infectious diseases has been developed within the APEC framework. However, efforts to prevent the spread of infectious diseases in Southeast Asia as a whole will not be effective unless such efforts also include the non-APEC members of ASEAN.

This situation prompted the announcement by Prime Minister Junichiro Koizumi of the “JAPAN-ASEAN Information and Human Network for Infectious Disease Control” concept at the seventh ASEAN Summit, held in Brunei in November 2001.

The aim of this concept is to provide support for training and capacity development in the treatment and prevention of infectious diseases—especially HIV/AIDS, tuberculosis, and malaria—in the ASEAN region and for the creation of a human resources network to facilitate cooperation within ASEAN. Another goal is to build an information network using public health facilities—which Japan already supports—as centers.

Forms of support under consideration include the establishment of tuberculosis centers and other facilities in the Philippines that could provide third country training and host workshops and the development of an information network on action against parasitic diseases, including malaria, with Thailand as its core. To enhance the effectiveness of these types of cooperation in ASEAN, it is anticipated that support activities will be implemented under an expanded partnership with international health agencies, such as the WHO and the Joint UN Programme on HIV/AIDS (UNAIDS).





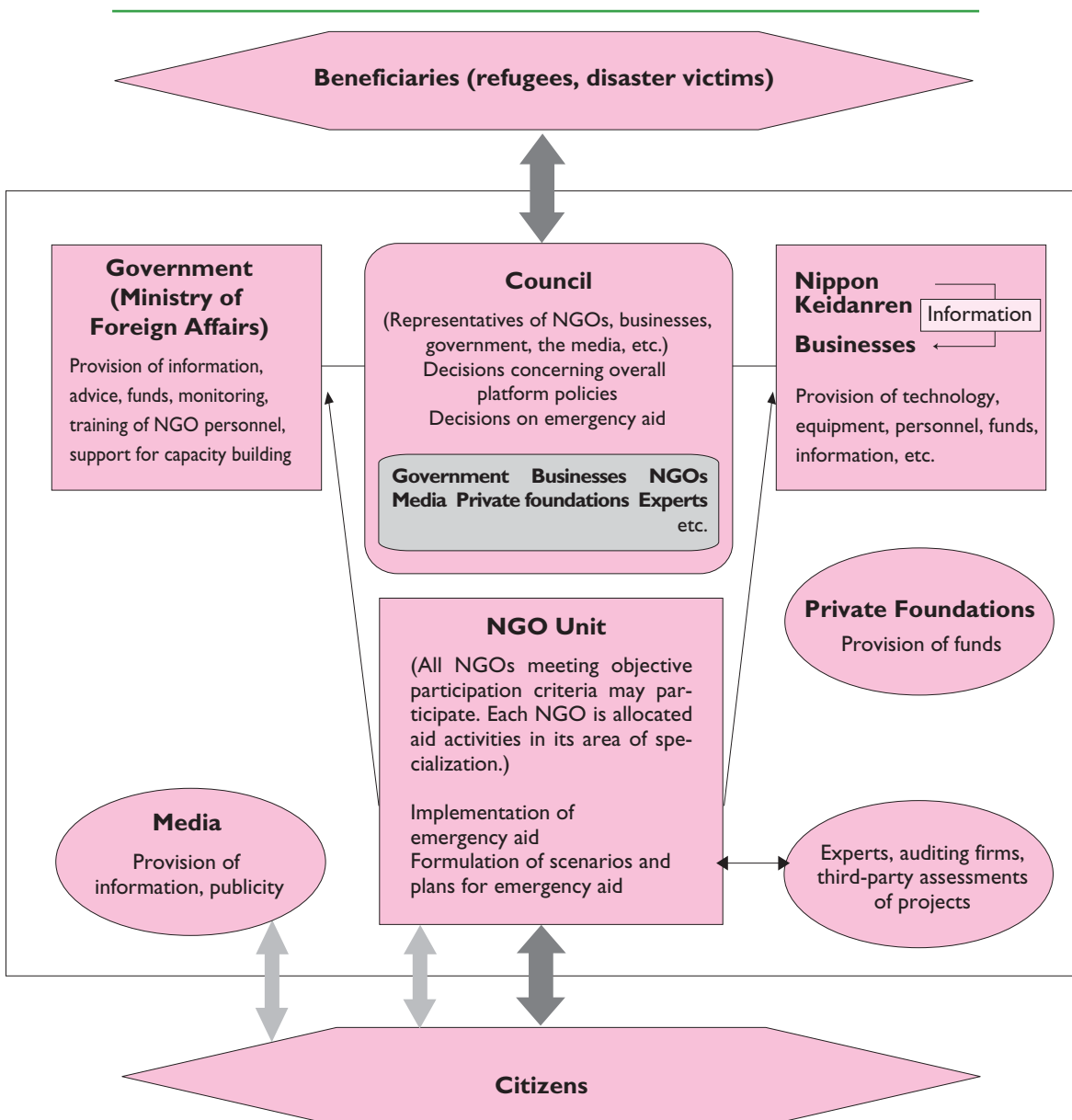
Japan's foreign policy. The advance of globalization has reinforced the interdependence of the international community, and nations can no longer regard conflicts in geographically remote regions as problems that do not affect them directly. Conflict prevention and resolution and postconflict peace building require an integrated approach covering political, security, and military aspects. Development assistance can be an important part of a comprehensive response to a conflict. The 2000 G8 Foreign Ministers' Meeting in Miyazaki, Japan, announced "the G8

Miyazaki Initiatives for Conflict Prevention" aimed at providing a comprehensive response to conflict prevention. Japan took this opportunity to announce "the Action from Japan" initiative, which was a package of undertakings on conflict prevention through development cooperation. This section introduces recent efforts based on this initiative.

*(1) Cooperation in Conflict Prevention*

Once a conflict occurs, it will quickly destroy the achievements of previous development ef-

**Chart 2. Organization of the Japan Platform**



forts; recovery and reconstruction, on the other hand, require a great deal of time, effort, and financing. Prevention is, indeed, “better than a cure,” and so “a culture of conflict prevention” needs to be fostered throughout the international community.

Conflicts in developing countries result not only from ethnic or religious confrontation but also from poverty and economic disparity, as well as the failure of systems of governance to provide effective mechanisms for the reconciliation of conflicting interests. The use of development aid to alleviate these problems—or at least avoid further deterioration—can help prevent conflicts and avoid their recurrence.

Based on these perspectives, Japan seeks to alleviate poverty through assistance in the area of basic human needs—including medical services, education, and food—and in its use of technical cooperation to help developing countries improve their political, economic, social, and legal systems and boost administrative capacity. Ultimately, poverty must be overcome through industrial development leading to economic growth, and the development of infrastructure to support economic growth will thus continue to be an important priority. Japan places considerable importance on continuing efforts to prevent conflicts and avoid relapses through ODA and other tools by alleviating the factors that cause conflicts and by actively supporting measures to eliminate those factors.

## *(2) Emergency Humanitarian Assistance*

When an armed conflict unfortunately does occur, the priority is to provide emergency humanitarian assistance as quickly as possible to alleviate the distress of victims and refugees whose situation tends to deteriorate at an accelerating pace with the passage of time. In addition to bilateral cooperation, Japan provides emergency aid through such international humanitarian

agencies as the UN High Commissioner for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC).

In implementing emergency humanitarian assistance, the role of NGOs should be noted in addition to that of governments and international organizations. NGOs can be effective because of their ability to move quickly into trouble spots and respond flexibly and promptly to a wide range of needs. The active involvement of civil society, including NGOs, in these activities results in the diversification of aid entities and allows aid to be fine-tuned to meet specific needs. It also allows the mobilization of more personnel and funds for cooperation activities. In fiscal year 2000 Japan established “grants for supporting NGO emergency activities,” under which applications for funding are fast-tracked to allow NGOs to respond quickly to emergency situations. This mechanism has already been used, albeit in nonconflict situations, to support NGO operations in response to earthquakes in India and El Salvador in January 2001. In recent years, Japanese NGOs have become increasingly active in the provision of emergency humanitarian assistance. These activities are typical examples of the “visibility of Japanese aid.”

The September 2001 terrorist attacks in the United States have forced large numbers of people to flee Afghanistan into Pakistan and other neighboring countries, where there were already around 3.5 million refugees. In the same month Japan announced that it would provide emergency economic assistance, including bilateral aid amounting to ¥4.7 billion, to Pakistan, of which ¥1.7 billion was slated for refugees from Afghanistan. In addition, Japan responded to a UN donor alert by announcing in October that it would contribute approximately 20% of the contributions sought by UN agencies and other international organizations



for use in assistance to Afghan refugees, up to a maximum of \$120 million. By January 2001 it had provided around \$122.1 million to the UNHCR, the United Nations Development Programme (UNDP), the World Food Programme (WFP), the ICRC, UNICEF, the International Organization for Migration (IOM), and the Office for the Coordination of Humanitarian Affairs (OCHA). In addition, NGOs operating under “the Japan Platform,” a system which facilitates cooperation among NGOs, the business sector, and the government, implemented relief for Afghan refugees using government start-up funding amounting to ¥580 million.

### *(3) Peace Building*

After a conflict ends, the international community needs to work together to provide recovery and reconstruction aid quickly to the affected nation or region in order to establish an environment in which further outbreaks of conflict can be avoided. It is also necessary to rebuild shattered infrastructure and heal scars of people so that affected people can begin their own development efforts as soon as possible. To achieve these goals, the gap between emergency humanitarian assistance and development assistance must be bridged. Also, donor nations and humanitarian and development agencies need to cooperate in close partnership with NGOs and other civil society groups.<sup>16</sup>

A recent example of such cooperation is Japan’s active contributions to Afghanistan’s reconstruction process. In November 2001 Japan and the United States co-chaired the Senior Officials Meeting on Reconstruction Assistance to Afghanistan, which planned the subsequent

process by the international community, including the December 2001 meeting in Brussels of the Steering Group for Assistance in the Reconstruction of Afghanistan and the January 2002 International Conference on Reconstruction Assistance to Afghanistan in Tokyo. At the first steering group meeting in Brussels, interim reports on surveys of reconstruction requirements were presented, and priority areas were identified. Japan announced that it would contribute \$1 million to a fund set up to support the interim Afghan administration that was established under the Bonn Agreement in December 2001.

The Tokyo conference of donor nations in January 2002 was co-chaired by Japan, the United States, the European Union, and Saudi Arabia. The meeting was attended by Hamid Karzai, chairman of Afghanistan’s interim administration, as well as ministers and other representatives of 61 governments and 21 international agencies. The presence of so many delegates sent a strong message of support by the international community for reconstruction in Afghanistan. Visions and policies for reconstruction and development in Afghanistan were presented by Chairman Karzai and others. Another indication of the success of the meeting as a crucial first step towards reconstruction was the announcement of pledges and contributions totaling \$1.8 billion for 2002 and \$4.5 billion overall.

At the conference, Japan emphasized the need to support the peace-building process, national reconciliation, and human resources development. It also announced specific support measures, including the provision of up to \$500 million for priority areas over a period of 30

---

16. Some international agencies, such as the UNHCR and WFP, are involved primarily in emergency humanitarian assistance, while others like the UNDP and the World Bank specialize mainly in development aid. Because of these differing roles, support is sometimes inadequate during the transitional phase between humanitarian assistance and development aid.

months. The priority areas are “the reintegration and resettlement of refugees,” “de-mining,” “media infrastructure,” “education,” and “public health and medical services,” as well as “efforts to improve the status of women and reintegrate them into nation-building.” Japan also announced that up to \$250 million of this amount would be provided in the first year; it has decided to disburse approximately \$45 million by April 2002.

Japan has contributed \$3 million to “the Re-

covery and Employment Afghanistan Programme” (REAP), established in February 2002 by the UNDP. The purpose of this program is to create employment for refugees both within and outside the country and to provide support for the reconstruction of basic infrastructure. Because of the immediate benefits accruing from this approach, it has been greatly appreciated by the people of Afghanistan.

Japan is also actively supporting the

## **TOPIC 8. TECHNICAL COOPERATION TO SUPPORT RECONSTRUCTION IN EAST TIMOR**

East Timor is now engaged in a nation-building process to prepare for its coming independence in May 2002. After a long period of colonial rule by Portugal, East Timor effectively came under Indonesian governance. Because all key government and private-sector posts were occupied by Indonesians, there was little opportunity for the East Timorese to develop their ability. During the violence that erupted in 1999, people including engineers with experience and qualifications in many fields were killed or fled overseas. As a result, the training of the personnel needed to drive national development is now an urgent priority. Japan has therefore made human resources development a key focus for assistance, in addition to support in the areas of infrastructure building and agriculture.

Masayoshi Koyama, a former Japan Overseas Cooperation Volunteer, joined the Faculty of Engineering at the National University of East Timor in July 2001 as an expert in automobile maintenance. He spent the next six months teaching car maintenance to East Timorese students. Located on the outskirts of Dili, the university’s Faculty of Engineering was destroyed during the 1999 disturbances and is currently being rebuilt with emergency grant assistance from Japan. Until the rebuilding work is complete, classes are being held in temporary accommodations in Dili. With 70% of its infrastructure wrecked, East Timor lacked the tools, facilities, and equipment needed for auto repairs. Koyama therefore created tools and parts from locally available materials, gave practical lessons in automobile repair, and worked to improve the standards of technology in the Faculty of Engineering. An East Timorese teacher made some memorable comments about Koyama’s work. “When we heard that a teacher would be coming from Japan, we expected that there would also be substantial Japanese assistance. To tell the truth, we were initially somewhat disappointed when we learned that there would be just one teacher. However, Mr. Koyama taught our students that there are things that can be accomplished in East Timor even if there are no resources. This has given our students great confidence for the future.” Skilled engineering graduates are expected to play a major role in East Timor’s nation-building process.

UNICEF-led “Back to School campaign.” Since fall 2001 it has contributed approximately \$27.41 million, which is equivalent to around 40% of total contributions from all donors. Not only the Japanese government but also private Japanese citizens are providing active support, reflecting the deep concern of the Japanese for the children of Afghanistan. Public donations have reached more than \$10 million (approximately 37% of the world total of civil society donations). Japanese NGOs are also participating in this campaign.

Japanese assistance to Afghanistan also includes the dispatch of survey missions to ascertain local needs. Based on the findings of these missions, Japan has promptly provided assistance for reconstruction and development, including the emergency restoration of schools and medical facilities.

Elsewhere, since the establishment of peace in Kosovo, Japan has supported a plan by the IOM to disarm and reintegrate ex-soldiers of the Kosovo Liberation Army and a UNDP plan to establish public broadcasting facilities and rebuild housing and electric power facilities. In East Timor it has provided “hardware” assistance by supporting UNDP projects to restore roads, water supply facilities, port facilities, electric power facilities, and irrigation systems, as well as a UNICEF project to rebuild elementary schools. At the “software” level it is supporting efforts to develop the human resources that East Timor will need for national development over the medium- to long-term. Japan also helped to ensure that East Timor’s Constituent Assembly election in August 2001 was conducted fairly and efficiently, providing emergency aid totaling \$1.191 million through the UNDP for use in the training of East Timorese election officials and in the application of information and communications technology to improve the accuracy of voter registration. In

addition, Japan sent experts to assist with the preparation of educational materials for use in publicizing the election. “The Trust Fund for Human Security,” which was established in the UN Secretariat with funds donated by Japan, has also contributed in various ways to facilitating the smooth transition from postconflict emergency humanitarian assistance to medium- and long-term development assistance by UN agencies.

In addition to contributions through international agencies, Japan also provides bilateral aid to countries and regions affected by conflict. For example, it provided grant aid to Kosovo’s neighbors—Macedonia and Albania—for medical equipment and supplies and for support in increasing food production.

In providing assistance to countries where conflicts have occurred or are likely to occur, it is important to eliminate any elements that could lead to an escalation of conflict. Japan and Canada are working together to establish a method to assess conflict-causing elements. Missions comprising government and NGO representatives from both countries were dispatched to Guatemala in February 2001 and to Cambodia in November 2001 to undertake such assessments.

One of the problems associated with conflict is the widespread use of antipersonnel mines and small firearms. These remain a threat to human safety even after conflicts have ended, and urgent action is needed by the international community. Land mines are criticized from a humanitarian standpoint because they kill and maim indiscriminately. However, they are inexpensive to manufacture, and many countries continue to use them. Once mines have been laid, they remain functional almost indefinitely, and their removal requires enormous time and effort. Mines are a major obstacle to a nation’s recovery since they prevent residents from re-

### Chart 3. Japan's Mine-Related Disbursements

		(\$ million)
<b>I. MINE CLEARANCE (INCLUDING SUPPORT FOR THE ESTABLISHMENT OF MINE ACTION CENTERS AND OTHER GENERAL PROJECTS)</b>	<b>Total</b>	<b>57.87</b>
<b>A. Contributions to international organizations</b>	<b>Subtotal</b>	<b>42.59</b>
(1) UN Voluntary Trust Fund for Assistance in Mine Action (support for the activities of international organizations, such as the UNDP, via the trust fund)		11.25
(2) Cambodia Mine Action Center (via the UNDP)		9.60
(3) UN Office for the Coordination of Humanitarian Affairs to Afghanistan		18.54
(4) Other aid		3.20
<b>B. Bilateral aid</b>		<b>10.18</b>
<b>C. Grant assistance for grassroots projects</b>		<b>4.74</b>
<b>D. Other aid</b>		<b>0.38</b>
<b>2. VICTIM SUPPORT</b>	<b>Total</b>	<b>6.59</b>
<b>A. Contributions to international organizations</b>	<b>Subtotal</b>	<b>4.10</b>
(1) UN Voluntary Trust Fund for Assistance in Mine Action (support for the activities of international organizations, such as UNICEF, via the trust fund)		1.63
(2) International Committee of the Red Cross and local ICRC offices		2.47
<b>B. Bilateral aid</b>		<b>0.93</b>
<b>C. NGO project subsidies</b>		<b>0.59</b>
<b>D. Grant assistance for grassroots projects</b>		<b>0.86</b>
<b>E. Other aid</b>		<b>0.11</b>
<b>3. SUPPORT FOR MINE EDUCATION ACTIVITIES</b>	<b>Total</b>	<b>0.97</b>
<b>A. Contributions to international organizations</b>	<b>Subtotal</b>	<b>0.82</b>
(1) UN Voluntary Trust Fund for Assistance in Mine Action (support for the activities of international organizations, such as UNICEF, via the trust fund)		0.81
(2) Other agencies		0.01
<b>B. NGO project subsidies</b>		<b>0.09</b>
<b>C. Grant assistance for grassroots projects</b>		<b>0.06</b>
<b>4. GENERAL SUPPORT FOR MINE ACTION (ACTIVITIES SPANNING THE THREE PREVIOUS CATEGORIES)</b>	<b>Total</b>	<b>1.75</b>
<b>A. Contributions to international organizations</b>	<b>Subtotal</b>	<b>1.38</b>
(1) Organization of American States		0.38
(2) Other agencies		1.00
<b>B. Other aid</b>		<b>0.37</b>
<b>5. OTHER AID (INCLUDING SUPPORT FOR INTERNATIONAL CONFERENCES)</b>	<b>Total</b>	<b>1.94</b>
<b>A. Contributions to international organizations</b>	<b>Subtotal</b>	<b>1.20</b>
(1) UN Voluntary Trust Fund for Assistance in Mine Action		0.65
(2) Other agencies		0.55
<b>B. Grant assistance for grassroots projects</b>		<b>0.01</b>
<b>C. Other aid</b>		<b>0.73</b>
<b>Cumulative total (as of December 31, 2001)</b>		<b>69.14</b>

turning to their homes or resettling in other areas. They also frustrate efforts to develop agriculture and other activities. At the signing ceremony for “the Total Ban Treaty on Anti-Personnel Mines,” Japan’s then Foreign Minister Keizo Obuchi announced a comprehensive approach, the “Zero Victim Program,” to seek a universal and effective ban on antipersonnel mines and additional support for victims. Japan’s current target is to provide approximately ¥10 billion in mine-related assistance over a five-year period starting in 1998. It is providing assistance in a wide range of areas, including mine clearance and victim support and rehabilitation.<sup>17</sup> As part of the “Zero Victim Program,” Japan decided in January 2002 to donate \$19.22 million to the UNDP, OCHA, and ICRC for use in mine clearance and support for mine victims in Afghanistan, where mines are seriously impeding reconstruction and development efforts.

Like antipersonnel mines, handguns, automatic rifles, and other small firearms are easy to manufacture and procure and are simple to use. These characteristics play a major role in the escalation, recurrence, and prolongation of armed conflict. The international community needs to

strive to prohibit the illegal production and trading of small firearms and to ensure that they are confiscated promptly as soon as conflicts end. At the Kyushu-Okinawa Summit in July 2000, Japan announced that it would donate up to \$2 million for the establishment of a Small Arms Fund within the UN to enable steps to deal with the problem of small firearms. Japan has so far donated \$1.87 million to support related initiatives, including seminars on and projects to seize small arms. Japan has called the world’s attention to the small arms issue through “the G8 Miyazaki Initiatives for Conflict Prevention” and through resolutions of the UN General Assembly. It played an active role in a July 2001 UN conference on small arms. The report presented to this conference was based on the findings of a UN panel chaired by Mitsuro Donowaki, special assistant to Japan’s Minister for Foreign Affairs. Japan is also implementing grant aid for a grassroots project called “Weapons for Development.” Under this project, local communities in Cambodia collect and destroy small arms in exchange for assistance with the development of basic infrastructure, such as schools and local roads. Japan intends to expand this project in the future.

---

17. Assistance totaling approximately ¥7 billion had been disbursed as of March 31, 2002.





### THE “THREE PS”: PROMOTING EXPANDED CITIZEN PARTICIPATION AND UNDERSTANDING

To achieve a more effective and efficient implementation of Japan’s ODA, it is necessary to utilize the technology and know-how rooted in Japan’s experience and to promote assistance incorporating broad participation by Japanese citizens from all walks of life. These will contribute towards gaining citizens’ understanding of and support for ODA projects, promote the “visibility of Japanese aid,” and revitalize Japanese society through the medium of international cooperation. In addition, by participating in ODA projects, people in Japan can come to understand the various challenges confronting those living in developing countries. Direct interaction with them will help Japanese citizens enhance their understanding of the international community.

The activities of NGOs, in particular, are extremely important from the standpoint of providing finely tuned assistance that addresses the multifaceted needs of developing countries and regions and in conducting prompt and flexible emergency humanitarian assistance. The Japanese government has been working to deepen its partnerships with NGOs through dialogue, collaboration, and support.

Since 1996 and 1998, respectively, the Ministry of Foreign Affairs (MOFA) and the Japan International Cooperation Agency (JICA) have maintained forums for regular consultations with NGOs in an effort to promote dialogue and enhance cooperation with these organizations.

The Japanese government has utilized these forums to ensure that the views of NGOs are reflected in government policies concerning support for NGOs as well as in overall ODA policies. Moreover, meetings between MOFA and NGOs have been held since 1994 to discuss specific topics, such as “the MOFA/NGO Open Regular Dialogue on GII/IDI (Global Issues Initiative on Population and AIDS/Okinawa Infectious Diseases Initiative).” In addition, the Japanese government and NGOs have collaborated closely at the field level, particularly in East Timor and Kosovo. In November 2001, for instance, “the strategic conference on assistance policy toward Timor-Leste” was held in Denpasar, Indonesia, where representatives from MOFA, the UN, and the private sector, including NGOs, met to discuss aid implementation that transcended public- and private-sector frameworks.

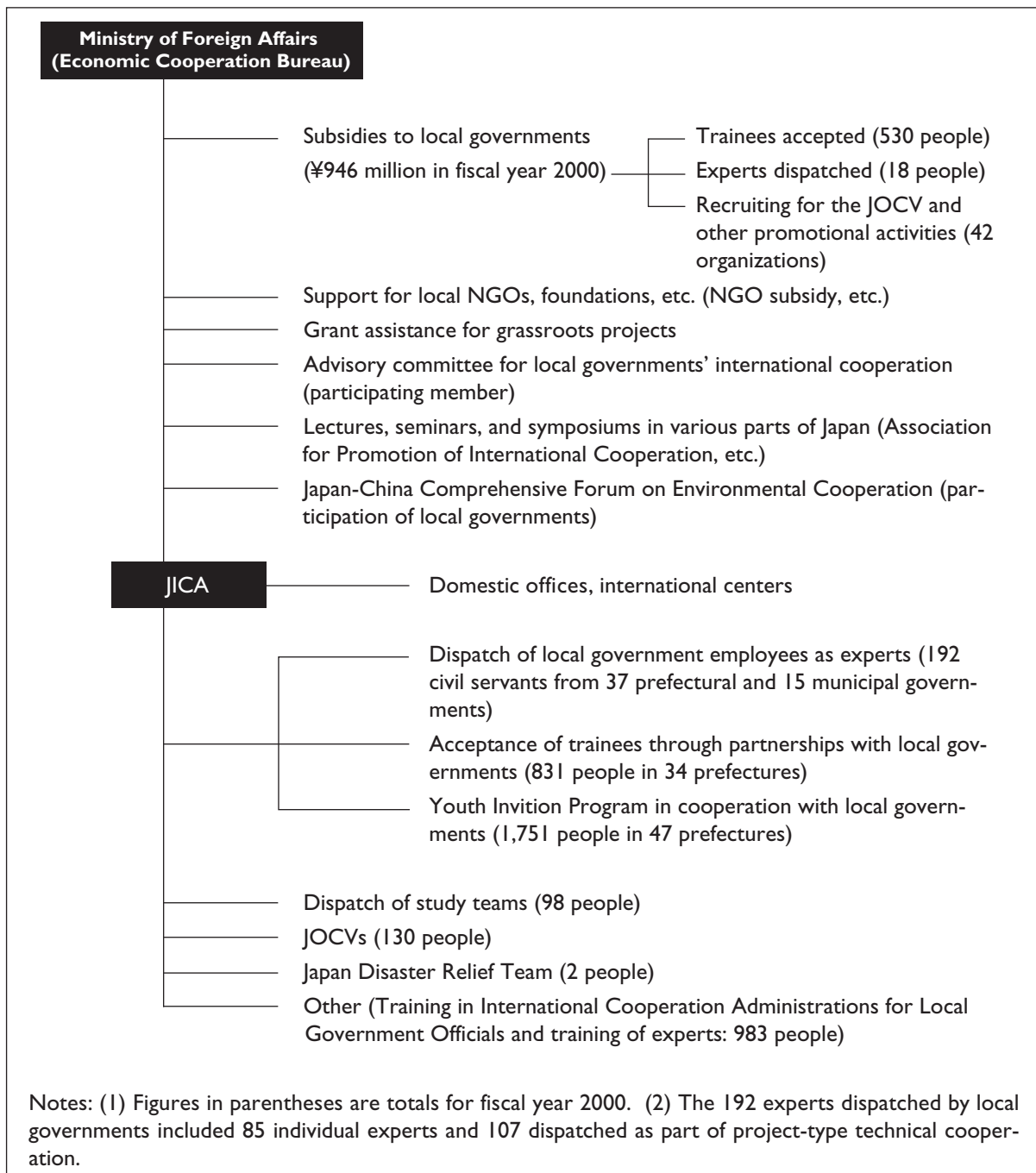
As relationships with NGOs deepen through dialogue and collaboration, however, instances of a lack of agreement and conflicts of opinion have also emerged, as demonstrated by the problem concerning the attendance of NGOs at the International Conference on the Reconstruction of Afghanistan in Tokyo in January 2002. Convinced of the need to overcome such problem and strengthen its partnerships with NGOs, MOFA is taking measures to achieve greater mutual understanding including reviewing the format of its regular meetings with NGOs.



There is still much more that the Japanese government can do to help citizens better understand and play a more active role in international assistance activities. The government's past efforts and future course may be discussed by using three key themes labeled the "three P's," namely, (1) Partnership, or the estab-

lishment of new partnerships between the public and private sectors; (2) Participation, or the encouragement of wide-ranging participation by citizens from all walks of life; and (3) Public-Private Interaction, or the promotion of interaction between the public and private sectors.

**Chart 4. Relationship Between MOFA and Local Governments**



## SECTION 1. NEW PARTNERSHIPS BETWEEN THE PUBLIC AND PRIVATE SECTORS (PARTNERSHIP)

---

In order to respond appropriately to developing countries' needs for assistance, which are becoming increasingly diverse and complex, it is essential to utilize not only the resources of the government but also those of the private sector.

In the aftermath of an earthquake in western India in January 2001, emergency humanitarian assistance was provided through the Japan Platform. Working closely with the Japanese firm that developed a large-scale and super-lightweight tent for on-site use, a member NGO of the Japan Platform modified the tent to make it more suitable and easier to use in emergency settings, as a result of which its quality and performance were highly praised in India. Utilizing the superior technology and expertise of Japan's private sector to make an international contribution is an important facet of achieving "visibility of Japanese aid."

The provision of expertise includes the "Study on the Economic Development Policy in the Transition toward a Market-Oriented Economy in the Socialist Republic of Viet Nam," the "Myanmar-Japan Cooperation Programme for Structural Adjustment of the Myanmar Economy," and "Macroeconomic Policy Support for Socio-Economic Development in the Lao People's Democratic Republic." In these efforts, government, industry, and academia joined forces to help reform the economic sector in each of these countries. Not only government resources but also the knowledge and experience possessed by industry and academia were utilized in a practical manner to provide assistance. The knowledge and experience gained through the provision of such assistance could, in turn, help invigorate Japan's domestic industry and academia.

Since fiscal year 2000, moreover, "Project Formulation Studies Based on Private Sector Proposal" have been introduced to apply the knowledge of NGOs and private businesses in locating new assistance projects. The Japan Bank for International Cooperation (JBIC), the financing institute of yen loans, has initiated "Pilot Study," a proposal-based study scheme. One function of "Pilot Study" is to solicit insightful suggestions from various national resources, such as NGOs, local governments and public institutes, which are expected to bring new concepts and ideas for yen loan projects. A more targeted function of "Pilot Study" aims to identify new projects with the participation of a diverse domestic group of specialists equipped with high-level expertise.

These experimental efforts to incorporate original insights and viewpoints, backed up by the technology and experience of the private sector, into Japan's ODA activities will become increasingly important from the standpoint of promoting partnerships with the private sector. Such mechanisms need to be strengthened.

As demonstrated by the establishment of "the Global Fund to Fight AIDS, Tuberculosis, and Malaria," there is also an increasingly visible movement in the international community to mobilize private-sector funding as well as other resources (both material and human resources and know-how), in addition to ODA that comes from government expenditures, under the banner of public-private partnerships, to deal with global-scale challenges.

## SECTION 2. PARTICIPATION BY CITIZENS FROM ALL WALKS OF LIFE (PARTICIPATION)

---

The movement of people, materials, capital, and information is being conducted on an increasingly global scale, and there is greater cross-

border interaction at the level of the local community and private citizens. This has raised the Japanese people's awareness of global issues, such as global warming and infectious diseases. As society changes and its value system diversifies, people are also becoming more interested in international volunteer activities, including those undertaken by NGOs. Utilizing the networks of overseas emigrants and sister-city relationships of friendship and cooperation, Japan's local governments have been accepting trainees, dispatching experts, and conducting

youth exchange activities for the past 30 years. In fiscal year 2000 approximately ¥840 million in Subsidies for Local Authorities were disbursed to all 47 prefectures in Japan and 5 of Japan's 12 ordinance-designated cities for such activities.

Interest among citizens in international cooperation and willingness to participate in development assistance are increasing, transcending regional and generational differences.

A typical example of public participation in cooperation activities is JICA's dispatch of

## TOPIC 10. THE ACTIVITIES OF SENIOR VOLUNTEERS

— PROJECT TO PROMOTE ECO-FRIENDLY AGRICULTURE: THAILAND —

The mountains of northern Thailand are home to approximately 745,000 indigenous people belonging to nine different tribes. To help them achieve greater self-sufficiency, members of the JOCV have been active in 14 northern Thai provinces since 1993, promoting rural community development, livestock husbandry, the cultivation of fruits and vegetables, and the making of handicrafts. In order to take advantage of the experience acquired through these activities and to carry them out in a more organic way, highly experienced and skilled Senior Volunteers were dispatched to the 14 provinces for a two-year assignment beginning in 1998.

In mountainous villages lying at altitudes of over 1,000 meters—where even ordinary Thai citizens rarely visit—volunteers showed local residents how to use natural pesticides (to promote organic farming) and how to preserve the soil so that self-sufficiency could be achieved without damaging the environment. The volunteers also used videos and other audiovisual materials to teach villagers about the environment. These efforts were favorably received by local residents.

This project was selected for the Monitoring Group of Citizens on Japan's ODA for fiscal year 1999. The monitors recognized the difficulty of promoting agriculture in mountainous areas and positively evaluated the project. For example, one of them noted, "The monitoring was useful and thoughtful because of the advice given by a volunteer on the problems of ODA and Japanese lifestyle."

The Japanese embassy in Thailand, together with JICA and JBIC, organized a "Press Tour to ODA Site" to give local media representatives an opportunity to visit the project site. After this tour, articles giving high praise to this project appeared in local newspapers. One commented with surprise that assistance from Japan was being provided without expectations of any reward but simply out of goodwill, and another remarked that the project was highly praiseworthy as a major contribution to Thai society by foreign people.

Japan Overseas Cooperation Volunteers (JOCVs) and Senior Volunteers. Under the JOCV program, young Japanese men and women are sent to developing countries to engage in social and economic development activities together with local residents. The JOCV program carries out finely detailed technology transfer tailored to local needs, helping promote friendly ties between Japan and the recipient countries and giving the volunteers themselves a more international perspective. This program has been highly praised both at home and abroad.

The Senior Volunteer system, meanwhile, calls on Japan's middle-aged and older citizens with a broad range of highly refined skills and a wealth of practical experience to contribute their expertise to the development of developing countries. This system addresses the increasingly complex and diverse needs of developing countries and is expected to be utilized in a much broader manner in the future.

NGOs represent typical examples of public participation in cooperation activities whose organization and areas of activity vary widely. Some provide emergency humanitarian assistance for victims of and refugees from conflicts and natural disasters, while others deliver community healthcare services, support rural development, raise educational standards, offer advice on formulation of policies, conduct activities for enlightenment in developmental issues, and organize NGO networks.

Involvement in assistance activities by a broader segment of society has also meant greater input from members of academia. In addition to the kinds of expertise described above, scholars contribute to the scouting and training of personnel to carry out ODA evaluation through the Japan Evaluation Society, established in September 2000 (see Chapter 4, Section 2 (3) for further details).

The Japanese government will reinforce the activities of the JOCVs and Senior Volunteers and expand its support for NGOs to further promote the participation of citizens in development assistance. The government will also assist volunteers participating in these activities by addressing the issue of reemployment for volunteers who are returning to Japan, and support capacity building to enhance the management capabilities and specialization of Japanese NGOs.

### SECTION 3. PUBLIC-PRIVATE INTERACTION

In order to provide citizens from all walks of life with a better understanding of development assistance and conditions in developing countries and promote active participation in ODA projects, it is necessary to strive for greater transparency and to actively promote public disclosure, as well as to inform citizens about the role and significance of ODA in the classroom and other venues.

In addition to promoting public disclosure regarding the bidding for ODA projects, the Japanese government is making efforts to promptly post information on the achievement of ODA projects and their findings on the Internet. Beginning in fiscal year 2001, JICA and JBIC have been publishing ex-post evaluations and compiling and publishing an "Ex-ante Project Evaluation Sheet" that provides an account of the need for each ODA project prior to its implementation, as well as a summary of the project's goals and anticipated results. Thus, continuing efforts are being made to establish a uniform evaluation system covering the ex-ante, midterm, and ex-post stages in order to improve transparency in ODA activities.

It is essential not only that the government provide information on a one-way basis but also that the views of citizens be taken into consid-

eration and reflected in ODA projects and policies. Summaries of the deliberations of the Second Consultative Committee on ODA Reform, convened in May 2001, have been posted on the Ministry of Foreign Affairs

website, and wide-ranging efforts have been made to solicit views on ODA reform. Upon publication of the committee's interim report, issued in August 2001, four town meetings were held (in Tokyo, Kobe, Sendai, and

## TOPIC 11. LISTENING TO THE PEOPLE'S VOICE

### — ODA TOWN MEETINGS ARE HELD —

In August and September 2001, the Ministry of Foreign Affairs organized ODA town meetings in four cities: Tokyo, Kobe, Sendai, and Fukuoka. The meetings were held to introduce the conclusions of the interim report by The Second Consultative Committee on ODA Reform and to hear citizens' candid views on ODA and ODA reforms before proceeding with the compilation of the final report.

Each meeting was attended by a broad range of participants, with television celebrities and newscasters, NGO members, journalists, and scholars serving as moderators and panelists. MOFA officials and members of The Second Consultative Committee on ODA Reform were also in attendance. Around 200 people attended the meetings in Tokyo, Kobe, and Sendai, and over 100 came to the discussion in Fukuoka. The first half of each meeting featured a panel discussion, while the second half was opened to questions from the floor. All four meetings were marked by a lively debate among the participants.

Among the comments most frequently expressed by those in attendance and also solicited via e-mail supported (1) the continuation of the town meetings on a regular basis, (2) active efforts to help fight poverty and HIV/AIDS and other infectious diseases, (3) the provision of assistance that drew upon Japan's own experiences, and (4) greater cooperation with NGOs. Not infrequently, criticism was heard as well, with people (1) complaining that the interim report by The Second Consultative Committee on ODA Reform was too vague, (2) objecting to a perceived lack of transparency in the use of ODA, and (3) questioning the propriety of the huge sums of aid money devoted to China.

Questionnaires conducted at the town meetings provided a breakdown of the people in attendance. While most were either students or were in their twenties, a broad range of age groups was represented, from those in their teens to people over 70, indicating the widespread interest in ODA among Japanese citizens. Most of the responses were favorable, with participants stating that they "learned a great deal from the town meeting" or found it "very interesting," and the majority of responses obtained at each meeting expressed the view that "Japan's ODA is making a positive contribution" to the world.

Such views will be very useful in the government's preparation of future ODA policies and offered food for thought in the preparation of the Final Report of the Second Consultative Committee on ODA Reform issued in March 2002. Active efforts will be made in the future to hold more ODA town meetings as forums for dialogue with the people of Japan.

Fukuoka), where citizens in attendance received a summary of the interim report and engaged in direct debate concerning ODA.

It is particularly important to raise young

people's awareness of the significance of ODA. The promotion of development education has therefore become a vital task. The Japanese government, JICA, and JBIC have made an

## TOPIC 12. THE SPREAD OF DEVELOPMENT EDUCATION

— THE EXAMPLE OF THE JOCV —

Why does Japan offer assistance to other countries? What kind of international cooperation should it provide? An effective way of getting people to share an awareness of the issues with ODA and to promote a deeper understanding of the program is to offer opportunities for contact with developing-country issues in the classroom. As efforts of this sort to familiarize students with development issues expand, the JOCV is coming to play a larger role in development education.

The activities of the JOCV are widely covered in textbooks for varying subjects that were introduced in 2002. Virtually all the social studies textbooks refer to the JOCV as a means by which Japan fulfills its role in the world and as part of the country's ODA program. One English textbook includes an assignment requiring students to prepare a speech about the JOCV.

In addition, former volunteers are dispatched as lecturers to schools, local government offices, and prefectural international-exchange groups under the "Instructor of Development Education" program. In fiscal year 2001 the program received over 1,200 requests for speakers, who addressed a total of approximately 130,000 people. The program has provided an excellent opportunity for many people to learn about the situation in developing countries and to think about international cooperation. At a junior high school in Kanagawa Prefecture, for example, a former JOCV member who had been engaged in community-development activities in Thailand related her experiences using games and audiovisual materials. This was very well received, prompting many students to express an interest in getting involved in international cooperation, such as by making a donation.

The interim report (issued in December 2001) of the Committee for International Cooperation in Education—set up by the Minister of Education, Culture, Sports, Science, and Technology—pointed out that the participation of teachers in JOCV and other international assistance programs, moreover, has had the effect of directly improving the quality of education in Japan. Participants in these activities acquire better communication skills, a better understanding of other cultures, and a greater capacity for conceptualization, as well as a renewed appreciation of the strengths of Japanese education, and they bring back the benefits of their experiences when they return to the classroom in Japan.

Exploring issues that face developing countries, understanding one's own links to other countries, and thinking about the contribution each individual can make in the school setting can help address the need for greater citizen participation in international cooperation activities.

effort to provide information for this purpose, conducting development education seminars in various locations, conducting classes at schools, and distributing textbooks, reference materials, and informational videos. In particular, Development Education Teaching Materials have been distributed to elementary and secondary schools throughout Japan; in fiscal year 2001 a more complete Teaching Material Kit for Development Education, containing Photo Language Quiz Cards, Teacher's Manual, and a video was provided to 3,000 elementary schools and junior high schools, respectively.

The most effective way for citizens to develop a greater awareness and understanding of the roles and importance of ODA is by seeing ODA in action with their own eyes. The Monitoring Group of Citizens on Japan's ODA intro-

duced in fiscal year 1999 was created with this in mind. Under this system, citizens from each prefecture who apply and are selected to serve as ODA monitors are dispatched to observe projects in developing countries. This provides an opportunity for citizens to experience life at ODA project sites firsthand. JBIC is expected to present lectures on the handling of yen loans and offer opportunities for site monitoring, as well as workshops on concrete ways to promote cooperation in order to strengthen collaboration with NGOs, local governments, and other groups.

The Japanese government has made considerable efforts to disclose more information about its ODA projects, but in light of the demand for greater transparency and efficient implementation, it is striving for further interaction with private citizens.



## PROMOTING ODA REFORM

One of the key pillars of the “Ten Reform Principles to Ensure an Open Foreign Ministry” announced by Foreign Minister Kawaguchi in mid-February 2002 was to make Japan’s ODA more efficient and more transparent. ODA reform, of course, is not something that has just begun. The Japanese government has been making ongoing efforts to achieve greater efficiency and effectiveness in the implementation of its ODA and also to enhance its ODA evaluation mechanisms. The government has redoubled its efforts to improve the transparency of its development assistance so as to secure the understanding and support of the Japanese public, particularly in recent years. ODA reform will be advanced further under the “Ten Reform Principles.” Below are explanations of some recent moves in this connection as well as future directions for the reform process.

### SECTION I. FINAL REPORT OF THE SECOND CONSULTATIVE COMMITTEE ON ODA REFORM

---

In May 2001 the Second Consultative Committee on ODA Reform was established as an advisory panel reporting to the foreign minister. The purpose of the committee, chaired by Toshio Watanabe, dean of the Faculty of International Development, Takushoku University, was to make recommendations on the future directions of Japan’s ODA within the context of changing

conditions both within Japan and internationally—including the severe economic and financial situation, the lowering of public support for ODA, and the changing needs of developing countries in an age of rapid globalization.

In August 2001 the committee issued an interim report suggesting the basic directions for ODA reform. Upon issuing this report, it held four ODA town meetings in different locations around the country so that the committee members could listen directly to what members of the public had to say about ODA and make use of this input in their further deliberations. The committee subsequently continued its discussions in September, supplemented by consultations with outside experts.

Based on this process, the committee completed its work, and Chairman Watanabe submitted the final report to Foreign Minister Yoriko Kawaguchi on March 29, 2002. The proposal of the final report can be summed up in three terms, namely, “public participation,” “transparency,” and “efficiency.” In its thrust, the report matches the direction of the foreign minister’s “Ten Reform Principles.” Taking public participation as its central concept, the report offers concrete proposals for ODA reform built on three major pillars: (1) ODA totally utilizing the mind, intellect and vitality of the Japanese people; (2) prioritized and effective ODA with a strategy; and (3) drastic improvement of the ODA implementing system.

Foreign Minister Kawaguchi declared that



---

## Chart 5. Highlights of the Final Report of the Second Consultative Committee on ODA Reform

---

### *What is currently required of Japan's ODA*

- To introduce concrete measures to positively draw out the potential eagerness and ability of the Japanese people and to develop these traits
- To further enhance the transparency of ODA and ensure accountability to the Japanese people

*The central concept of this final report is public participation. Its proposal consists of the following three recommendations:*

### I. ODA TOTALLY UTILIZING THE MIND, INTELLECT AND VITALITY OF THE JAPANESE PEOPLE

#### *Finding and Fostering of Development Personnel*

- Strive to improve development education in compulsory school education
- Create human resources development programs for undergraduate and graduate students

#### *Effective Utilization of Existing Human Resources and Technology*

- Establish a “Human Resources Development Centre for International Cooperation” (provisional name)
- Expand a quota for public recruitment and entrustment contracts of specialists dispatched by the Japan International Cooperation Agency (JICA)
- Proceed with personnel exchanges with NGOs and enterprises
- Assign those people experienced in specific sectors, countries and regions to related sections of the Ministry of Foreign Affairs and ODA implementing agencies

#### *Collaboration with NGOs*

- Enforce support for NGOs and have NGOs make further efforts to secure their eligibility and augment transparency
- Build a mechanism for collaborating with NGOs familiar with local situations in formulating ODA policies

#### *Securing Transparency*

- Further promote disclosure of information at each stage, from selection to implementation, ex-post evaluation and follow-up on projects
- Reinforce evaluation by a third party at each stage (Emphasize the judgment of the “Board on Comprehensive ODA Strategy” regarding the priority of ODA projects; introduce a thorough third-party audit system, including audit with no prior notice, regarding bidding procedures; and further utilize external knowledgeable people in ex-post evaluation)
- Hold ODA Town Meetings on a regular basis in various parts of the country

### II. PRIORITIZED AND EFFECTIVE ODA WITH A STRATEGY

#### *Establishment of a “Board on Comprehensive ODA Strategy”*

- Establish a permanent “Board on Comprehensive ODA Strategy” which is composed of representatives with various backgrounds

- The Board as the commanding authority of Japan's ODA, consulted by the Minister for Foreign Affairs, will discuss basic ODA policies such as country assistance programs and the significance and the degree of priority of major ODA projects and will make proposals to the Minister

#### *Prioritizing Country Assistance Programs*

- The "Board on Comprehensive ODA Strategy" will narrow down the priority areas of aid

#### *Promotion of International Collaboration*

- Formulate "sector/issues-specific aid principles" by holding policy dialogues with international organizations and donor countries and assessing the needs of ODA recipient countries

### III DRASTIC IMPROVEMENT OF THE ODA IMPLEMENTATION SYSTEM

#### *Securing Consistency*

- Reinforce links between grant aid, technical cooperation, and loans

#### *Speedy and Flexible Response*

- Response to urgent needs such as conflict prevention and peace building
- Seek closer collaboration with NGOs in order to implement minute assistance that meets a variety of needs on the ground
- Promote transfer of authority and business to local field offices

#### *Ceaseless Review*

- Seek further improvement of ODA evaluation (in particular, promote evaluation of technical cooperation that includes JICA experts and reinforce functions to feed back results of evaluation to policy planning and improvement of aid methods)
- Make an overall review of long established schemes, including a review of the debt-relief scheme

### IV. CONCLUSION: GOALS OF JAPAN'S ODA

*Effective utilization of ODA as a diplomatic tool is expected to remain significant for Japan's national interest.*

*Japan's ODA is currently at a turning point. The greatest concern of this committee has been how to incorporate the Japanese people's participation in ODA.*

- We have envisioned specific frameworks for absorbing valuable knowledge and opinions of the people from various backgrounds and areas
- For effective utilization of limited financial resources, we emphasized the importance of formulating country assistance programs that identify priority sectors of ODA into which financial and human resources can be channelled
- We also proposed measures to find, foster and utilize those people eager to participate in international cooperation

(The full text of the Final Report of the Second Consultative Committee on ODA Reform appears in Part IV.)

the recommendations in the committee's final report would be implemented right away where possible. In particular, she decided on the prompt launching of "the Board on Comprehensive ODA Strategy" and affirmed the importance of adopting a system of third-party auditing for the sake of achieving enhanced transparency.

The Ministry of Foreign Affairs will hold the first meeting of "the Board on Comprehensive ODA Strategy" in May 2002. The "Advisory Board for the Reform of the Ministry of Foreign Affairs" has also taken the committee's final report as the basis for its deliberations concerning ODA reform.

## SECTION 2. IMPROVING ODA EFFICIENCY AND TRANSPARENCY

---

In the light of Japan's severe economic and financial situation, improving the efficiency and transparency of ODA is extremely important in order to gain the understanding and broad support of the Japanese public. Providing information on the results and current status of ODA projects widely to citizens and eliciting their views and criticism will, in turn, lead to a more effective and efficient implementation of Japan's assistance. The following discussion will address four aspects of the effort to improve ODA efficiency and transparency: (1) assistance policies, (2) project implementation, (3) evaluation, and (4) coordination and collaboration within the government.

### *(1) Improving Efficiency and Transparency in Assistance Policies*

In order to make its assistance policies more transparent, the government has clarified Japan's philosophy and policies and has worked to provide a policy framework for ODA. In 1992, based on nearly 40 years of achievements, experiences, and lessons, the Japanese government adopted the ODA Charter, which set forth Japan's basic ODA philosophy<sup>18</sup> and principles<sup>19</sup> (the English translation of the ODA Charter is printed in Part IV).

In 1999 the Japanese government established the "Medium-Term Policy on ODA" as a concrete demonstration of the basic orientation expressed in the ODA Charter and as a source of policy guidelines to be achieved over five years (the English translation of the Medium-Term Policy is printed in Part IV). The Medium-Term Policy on ODA is based on the discussions that took place in various development-related UN summit meetings in the 1990s and clarifies the specific tasks that Japan's ODA seeks to accomplish. It also systematically summarizes priority issues and sectors like poverty alleviation, social development, and global issues; region-specific assistance themes; and methods and points to consider in providing assistance.

Since 2000, based on the Medium-Term Policy on ODA, the Japanese government has formulated a series of "country assistance programs" that identify assistance goals and priority

---

18. The main points of the ODA Charter's basic philosophy are (1) humanitarian considerations, (2) recognition of interdependence with developing countries, (3) environmental conservation, and (4) support for self-help efforts by developing countries.

19. The principles of the ODA Charter are (1) compatibility between environmental conservation and development; (2) avoidance of any use of ODA for military purposes and for aggravation of international conflicts; (3) paying attention to trends in recipient countries' military expenditures, their development and production of weapons of mass destruction and missiles, and their export and import of arms, etc.; (4) paying attention to promoting democratization and introduction of a market-oriented economy and the situation regarding the securing of basic human rights and freedoms in the recipient country.

themes for major recipient nations, enabling assistance to be implemented effectively in accordance with each nation's different needs. Country assistance programs for Cambodia, China, and Malaysia were compiled and published in fiscal year 2001. Given Japan's severe economic and fiscal situation of recent years, Japan's ODA to China has faced strong domestic criticism due to China's massive military expenditures and concerns about the protection of basic human rights—especially in relation to the ODA Charter—as well as China's provision of assistance to other countries and the lack of public recognition in China of Japan's assistance. There has also been considerable debate within Japan on the proper direction of ODA to China in the light of changing development challenges arising from China's economic expansion. In December 2000 the Economic Cooperation Evaluation Subcommittee of the Liberal Democratic Party's Special Committee on External Economic Cooperation issued the "Summary of and Guidelines for Economic Assistance to China." Recommendations were also issued by "the Advisory Group on Japan's Economic Assistance to China in the 21st Century"—an advisory body to the director general of the Foreign Ministry's Economic Cooperation Bureau chaired by former Economic Planning Agency Director General Isamu Miyazaki and staffed by representatives from the business sector, academia, the media, and NGOs.

Amid these discussions in Japan, in October 2001 the Japanese government, based on its own findings, compiled and published the Eco-

nomic Cooperation Program for China to serve as a basic set of guidelines for future aid to China.<sup>20</sup> In view of the circumstances surrounding the provision of ODA to China, the program points to a new direction, defining the significance of economic cooperation to China in the following way: "In order to maintain and strengthen the security and prosperity of Japan, the maintenance of a peaceful international environment is essential, and more than anything else, the stability and prosperity in the East Asian region in which Japan is located is indispensable. . . . It is desirable from Japan's perspective to have a more open and more stable society in China that is willing and able to fulfill its responsibilities as a member of the international community. Japan should work towards deepening China's involvement and participation in the international community, and support Chinese efforts in these directions."

As the improvement of economic infrastructure in coastal areas can basically be dealt with by China itself, high-priority areas and issues for Japan's ODA in the coming years include environmental conservation—particularly cross-border problems like acid rain and the "yellow sand" fallout from sand storms that have a major impact on Japan—and measures to raise the living standards of impoverished people in China's interior and to promote stability, social development, and the cultivation of human resources. Japan will not take as a given past levels of assistance but will calculate its contributions using a "project-accumulation formula" implemented in accordance with a detailed review of each project, focusing on pri-

---

20. Major points of the new program for economic cooperation to China include (1) a change from a multiple-year commitment system to a single-year commitment system for yen loans; (2) careful examination of each project from the standpoint of national interest; (3) having China implement those projects that it can carry out on its own; (4) introduction of a project-accumulation formula to determine the proper scale of assistance and a format utilizing a "long list" of candidate projects to improve the transparency of yen loans; (5) having China develop a better understanding and appreciation of the principles of the ODA Charter; and (6) timely and appropriate implementation of evaluations and their prompt reflection in subsequent assistance activities.

ority areas and issues and devoting due attention to China's new development needs as well as to Japan's severe economic and fiscal situation. In other words, the decision on whether or not a project is implemented depends on a detailed examination of each project, not merely on the previous track record. The greatest portion of assistance to China consists of yen loans (approximately ¥214.4 billion in fiscal year 2000). Grant aid, meanwhile, amounted to approximately ¥4.8 billion. Yen loans were previously pledged under a multiple-year commitment system, but they are now offered under a single-year commitment system according to the "long list" of candidate projects to enhance transparency.

Total yen loans to China in fiscal year 2001 reached ¥161.4 billion. This figure was determined in accordance with the goals of the Economic Cooperation Program for China and based on a careful and comprehensive review of Japan's fiscal situation, China's economic expansion and growing national strength, and the conforming of each project to the priorities identified by Japan. The total in fiscal year 2001 decreased by ¥53.0 billion from the preceding year—a reduction of 25%. Of the 15 projects approved, 7 were environment-related, and 13 were situated in China's interior.

Some, as noted previously, have criticized Japan's ODA to China as being inconsistent with the principles of the ODA Charter in the light of the country's large-scale increases in national defense spending in recent years, development of nuclear arms and missiles and weapons trade, and the status of efforts to promote democracy and protect human rights and freedoms. Japan will continue to keep close track of trends in China's military spending and weapons trade and to pay due attention to democratization efforts and the protection of basic human rights and freedoms. Japan is also

making the greatest possible effort to enhance China's awareness and understanding of the ideas embodied in the principles of the ODA Charter. Japan is actively evaluating its ODA to China and, more specifically, is not merely reviewing individual projects but conducting timely and appropriate evaluation utilizing consistent standards from a comprehensive perspective. Based on the Economic Cooperation Program for China, the Japanese government intends to implement ODA to China in the future with full attention to the views of private citizens and in a manner that the Japanese public will understand and support. The government has also compiled and published country assistance programs for nine other nations: Bangladesh, Egypt, Ghana, Kenya, Peru, the Philippines, Tanzania, Thailand, and Viet Nam.

In addition, the government has formulated a series of sector- and theme-specific policy initiatives as a means of addressing such specific development issues as infectious diseases, environmental protection, and conflict prevention. At the Kyushu-Okinawa Summit in 2000 the government announced the Okinawa Infectious Diseases Initiative (IDI), an original Japanese plan to provide \$3 billion in aid over a five-year period, as well as the Action from Japan on Conflicts and Development, which expressed Japan's ideas on the proper course for development assistance aimed at preventing conflicts.

Thus, Japan's ODA is implemented in accordance with the ODA Charter and based on such policy frameworks as the Medium-Term Policy on ODA, country assistance programs, and sector- and theme-specific policy initiatives. When assistance is provided to a developing country, each project is firmly positioned within the development plan for that country and within Japan's nation- and sector-specific assistance plans. Every effort is made to ensure that assistance resources are invested effec-

tively, including efforts to set up assistance programs that coordinate financial assistance, technical cooperation (including the dispatch of experts and acceptance of trainees), and other types of assistance.<sup>21</sup> Implementation bodies have formulated project implementation plans in accordance with these government policy frameworks and have clarified the orientation of their projects.

JBIC is slated to revise its Medium-Term Strategy for Overseas Economic Cooperation Operations every three years. In the guidelines issued in April 2002, thought was given to making them easier to understand, and effort was made to ensuring that the process of revision was transparent, eliciting comments from the general public and striving to reflect them in the preparation and publication of the new guidelines.

## *(2) Enhancing Efficiency and Transparency in Project Implementation*

Maximum efforts are being made to prevent improprieties and ensure transparency in the implementation of individual ODA projects at every stage, from the start of the project cycle (project selection) to its end (ex-post evaluation).

In selecting projects, a list of candidates (the “long list”) is published for yen loans, and survey (Basic Design) reports are published subsequent to the submission of bids for grant assistance. When projects are implemented, the implementing organization conducts a stringent study to ensure that bidding is conducted properly and publishes not only the name of the winning bidder and the amount bid but also the names of the other bidders and their bids. If it is revealed that any unfair action was taken during the bidding process, MOFA will impose and ex-

ecute penalties. In the future, consideration will be given to introducing a system of appropriate third-party audits to be conducted subsequent to the implementation of a project.

To date, long lists for yen loans have been published for four countries: China, Morocco, Tunisia, and Viet Nam. Following the compilation of these lists, which include candidates for multiyear projects, formal applications for the projects on the list are made for each fiscal year, after which selection decisions are made. The compilation and publication of candidate lists offer several advantages: They contribute to a more effective and efficient identification and formulation of yen loan projects from a medium- and long-term perspective; enhance the transparency of aid; promote closer coordination with technical cooperation projects and other types of assistance schemes; and facilitate coordination with the efforts of other donor nations, international organizations, and private-sector groups. The projects appearing on the lists are merely candidates for yen loans, so a listing in no way constitutes a pledge that a loan will be provided. Lists are revised as needed, with projects being added or removed on an ongoing basis.

The implementation of ODA projects requires social and environmental impact assessments to be made in order to address social and environmental concerns. JICA and JBIC have already formulated environmental guidelines to meet such concerns. JICA has established Environmental Guidelines that set forth specific work procedures for each sector—in accordance with the preferences of the recipient country—based on the basic thinking that environmental concerns must be adequately incorporated into development plans from the earliest stages so as to ensure sustainable de-

---

21. An example of this type of coordination is the “center approach,” described in Chapter 2, Section 2 (1).



velopment. From 1990 through March 2002 JICA formulated a series of guidelines for 20 sectors, including agriculture, mining and manufacturing, and marine products industries. In April 2002 JBIC combined the environmental guidelines for ODA and other official flows (OOF) and published a newly formatted “JBIC Guidelines for Confirmation of Environmental and Social Considerations.” JBIC made an effort to ensure a high level of transparency in the process of formulating its guidelines, soliciting comments from the general public as well as from a broad selection of experts, NGOs, private businesses, Diet members, and relevant ministries and agencies. The new guidelines emphasize the participation of stakeholders, such as residents affected by a project, and require the participation of them in the implementation of the project, starting from the planning stage. The concerns that JBIC must address are not limited to environmental issues but also include such social concerns as the relocation of residents and consideration for women and indigenous peoples. The new guidelines require JBIC to actively disclose such information as project categories formulated prior to financing decisions and the findings of studies into environmental and social impact. Thus, the new guidelines are more encompassing than the previous ones.

### *(3) Improving the Evaluation System*

In order to ensure that ODA is implemented fairly and properly, it is necessary to further improve the system of assessment. In February 2001 the “ODA Evaluation Study Group”<sup>22</sup> submitted a report to then Foreign Minister Yohei Kono, which presented the following

recommendations: (1) the introduction of policy-level evaluations and the expansion of program-level evaluations (by establishing indices and monitoring methods); (2) improving the evaluation feedback system (by establishing “the Evaluation Feedback Committee” to ensure that evaluation findings lead to actual improvements); (3) training and effectively utilizing evaluation personnel (such as by exchanging personnel with international organizations and other donor nations and establishing an “Evaluation Human Resources Database”); (4) ensuring consistency in ex-ante, midterm, and ex-post evaluations (including the preparation of ex-ante evaluation charts); and (5) promoting greater collaboration among the government ministries and agencies that deal with ODA (by setting up “the Inter-Ministerial Liason Meeting on ODA Evaluation” as a regular forum for discussion and exchange of views with the participation of NGOs, scholars, and other experts).

In view of these recommendations, the Japanese government has made an effort to expand evaluation to the level of the ODA program and policy which are superordinate to individual projects as well as to achieve consistency from the ex-ante stage through the midterm and ex-post stages. In addition to publishing ex-post evaluations as in the past, since fiscal year 2001 JICA and JBIC have begun preparing and publishing “Ex-ante Project Evaluation Sheets” for project-type technical cooperation, grant assistance, and yen loans, listing the findings of ex-ante surveys, a description of the necessity of projects, its aims, details, and its goals. In order to more properly provide feedback to those drafting policy,

---

22. The ODA Evaluation Study Group was established in July 2000 under the ODA Evaluation Reviewing Panel, created in 1986 as an advisory body to the director general of the Economic Cooperation Bureau. Members comprise scholars and other experts.



moreover, “the Internal Feedback Liaison Meeting on ODA Evaluation” (in which officials from JICA and JBIC also participate) was established within the Ministry of Foreign Affairs in January 2001. To create an ODA evaluation feedback system with even greater fairness and objectivity, “the Wise Men Committee for Evaluation Feedback” was established in December 2001 as an advisory panel to the director general of the Economic Cooperation Bureau to review and verify MOFA’s own ODA evaluations.

In addition, the “Japan Evaluation Society” was established in September 2000 in response to recommendations from the ODA Evaluation Reviewing Panel to train and create a network of assessment personnel, an indispensable element in upgrading the evaluation system. The society meets twice a year as a forum where members can exchange information among themselves and work on improving evaluation methods. Thus, the society provides opportunities to exchange views for evaluation researchers, consultants, and government evaluation officials. By actively taking part in the society’s meetings and other similar events, MOFA, in collaboration with the Japan Evaluation Society, works to find and train personnel to assume the task of conducting ODA evaluations.

Preparatory work on revising evaluation guidelines and manuals is currently proceeding, and efforts to make future ODA evaluations fairer and more objective will continue.

#### *(4) Coordination and Collaboration Within the Japanese Government*

At present, the Cabinet Office and 10 government ministries have ODA budgets. Four ministries—the Ministry of Foreign Affairs, the Ministry of Finance, the Ministry of Economy, Trade, and Industry, and the Ministry of Edu-

cation, Culture, Sports, Science, and Technology—account for most of the total ODA allotment. The bulk of each ministry’s ODA budget, other than those of the Ministry of Foreign Affairs and the Ministry of Finance, is devoted to technical cooperation. In order to maintain overall consistency in activities of this sort and to ensure that they are conducted effectively and efficiently, it is essential to strive for better coordination and collaboration among the government ministries and agencies and the various systems they employ.

In accordance with this recognition, “the Basic Law for Central Government Reform,” enacted in June 1998, set out a clear direction for the reform of Japan’s ODA implementation mechanism. The Law for the Establishment of the Ministry of Foreign Affairs, enacted in July 1999, assigned the Foreign Ministry jurisdiction over the coordination of planning and policy-making by each government agency in relation to a common ODA policy, technical cooperation, and yen loans as of January 2001. The new law also gives the foreign minister authority over the overseas economic cooperation activities of JBIC.

For some time now, various channels have been utilized in the effort to ensure sufficient collaboration among government ministries and agencies involved in ODA. In view of the trends noted above, in March 2000 the Ministry of Foreign Affairs and other relevant ministries established “the Inter-Ministerial Meeting on ODA” to serve as a forum for discussion on major ODA-related issues. In October 2001 the council discussed measures to be taken by Japan in reaction to the September 11 terrorist attacks in the United States, and in March 2002 it took up the subject of support for the reconstruction of Afghanistan.

The “Experts Meeting of Technical Cooperation” was established in April 1997, as all

the ministries which have ODA budgets provide technical cooperation and because a need was felt for the government as a whole to implement projects effectively and efficiently. It had met 14 times as of March 2002, exchanging views and information to facilitate effective collaboration and prevent redundancy in

the technical cooperation efforts implemented by Japan's various ministries.

In order to further refine the ODA evaluation system, "the Inter-Ministerial Liaison Meeting on ODA Evaluation" was established in July 2001 with directors from various ODA-related ministries and agencies as members and

### TOPIC 13. TOKYO WORKSHOP ON ODA EVALUATION

---

Japan has made a variety of efforts to improve its system for conducting ODA evaluations over a period of 20 years. As part of these efforts, the Ministry of Foreign Affairs hosted the first "Tokyo Workshop on ODA Evaluation" on November 7 and 8, 2001.

Sixty people from outside Japan, including senior government officials from 15 Asian countries who deal with ODA and evaluation experts from the World Bank, the Development Assistance Committee, and other international organizations, took part in the workshop. There were also 60 participants from Japan, including officials from MOFA and other aid-related agencies, as well as NGO representatives, students, and members of the general public. The 120 participants held lively discussions and exchanged views on utilizing evaluations to make ODA implementation more effective and on the role of recipient nations in ODA evaluations.

Several major points were made:

- (1) Recipient nations in Asia have an extremely important role to play in evaluating aid, and for this reason personnel must be trained in order to strengthen the evaluation capacities of recipient nations.
- (2) It is essential to incorporate recipient nations' inputs in mechanisms for evaluation feedback so that the findings of evaluations are reflected in development assistance policies.
- (3) Further discussion is necessary for the establishment of an evaluation system incorporating program- and policy-level evaluations in addition to project-level evaluations, as well as a consistent assessment process covering ex-ante evaluations through monitoring to ex-post evaluations.

Other recommendations included the creation of a common framework for ODA evaluations and the compilation of evaluation manuals.

This was the first workshop of its kind to be held in Japan on Japan's initiative, and it was warmly welcomed by participants from Asian countries. They expressed strong expectations that a similar workshop would be held again in 2002 in Tokyo. The discussions were open to the general public in the light of the ongoing demand for transparency and disclosure regarding the provision of ODA. The next workshop is expected to feature participants demonstrating their efforts to improve ODA evaluations, based on the achievements of the inaugural meeting, and to attract even more participants.

with scholars, experts, and representatives of NGOs and international organizations participating as observers. In March 2002 they adopted “the Reference Method of Technical Program Evaluation in ODA-related Ministries” to use as a reference in evaluating ODA activities involving the dispatch of experts and the acceptance of trainees carried out by various government ministries.

### SECTION 3. REVIEW OF ODA SYSTEMS

In order to make effective use of the limited resources available for ODA and to achieve transparency, there is a need for an overall review of the various ODA systems and for efforts to improve them. Japan provides bilateral aid in three forms: grant assistance, technical cooperation, and yen loans. Up to now numerous systematic refinements and improvements have been made in the course of implementing these different schemes. Overall, however, there have been complaints that the arrangements are so complex that only specialists can properly understand them and that the existing systems are incapable of responding quickly and flexibly to the rapid changes in developing countries’ situations and in the needs for assistance.

With respect to yen loans, which have been praised as having contributed greatly to social and economic development, particularly in Asian countries, in January 2000 the Council on Yen Loan Schemes was set up as an advisory body to the director general of MOFA’s Economic Cooperation Bureau with the aim of making this form of assistance more effective and more efficient in keeping with the changing times, and its recommendations were published

in August 2000.<sup>23</sup> Since then, efforts have been made to revise the yen loan system, including the strengthening of the organic coordination of yen loans with grant aid and technical cooperation, the diversification of interest rates and repayment periods, and the strengthening of the “soft” operational aspects of the system. Starting in July 2002, with the aim of improving the effectiveness and efficiency of the yen loan program, the conditions for extending loans were improved with changes including the provision of optional terms for the shortening of the repayment period, increased scope for lending to newly industrializing countries like Brazil, simplification of the existing system of concessional interest, and the introduction of the Special Term for Economic Partnership (STEP) so as to promote the “visibility of Japanese aid” through the use of Japan’s outstanding technologies.

As one improvement in the area of grant assistance, changes have been made in the provision of debt relief and Grant Aid for Increased Food Production. Previously, when grants were provided for these purposes, the funds could only be used for the import of goods. However, in response to requests from recipient countries, it became possible, starting in fiscal year 2001, for the funds to be used in importing services or to be included in a common fund, which is one form of aid coordination.

In the area of technical cooperation, meanwhile, starting in fiscal year 2002 the budget for the dispatch of experts and for project-type technical cooperation was streamlined and consolidated, and it became possible to implement programs on the basis of a free and flexible combination of inputs (including experts,

---

23. The final report of this panel identified four key priorities for the yen loan program as (1) effective, efficient, and prioritized implementation; (2) tailoring of loans to match the diverse needs of recipient countries; (3) provision of expertise for developing countries’ nation-building efforts and active participation in aid coordination; and (4) enhanced accountability and better publicity.

training, and equipment) in line with the intended objectives.

Various steps have also been taken to improve coordination among the various ODA schemes. For example, a system of sector program development surveys was launched in fiscal year 2001 as a new style of assistance aimed at implementing the various types of technical and financial cooperation extended by Japan on the basis of more effective coordination. Under this system, particular sectors in a target country are selected, and concrete development policies are formulated. In this process, coordination and exchange of views are conducted with the recipient country's government and other donors. All the technical and financial assistance to the particular sectors from Japan, moreover, is coordinated on a comprehensive basis. During fiscal year 2001 development surveys were conducted using this system for Tanzania's regional development sector, Viet Nam's primary education sector, and Indonesia's agriculture and fisheries sector.

In addition, the following are examples of cases where coordination among the different schemes has produced notable successes in the recipient countries:

In the case of Morocco, Japan implemented a set of programs directed toward improvement of the road network, including the provision of grant aid under "the Project to Construct a Training Institute of Road Machinery and Maintenance Engineers" and yen loans under the "Road Sector Improvement Project" and the "Expressway Construction Project," among others. In June 2001 an exchange of notes was also made concerning a yen loan for the "Mediterranean Road Construction Project." In addition, project-type technical cooperation has been implemented with respect to the "Training Institute of Road Machinery and Maintenance Engineers."

In Viet Nam's transportation sector, Japan conducted "the Study on the National Transport Development Strategy in Viet Nam," which drew up a nationwide master plan. Based on this, a master plan is now being formulated for Ho Chi Minh City through the "Urban Transport Master Plan and Feasibility Study in HCM/Metropolitan Area." Under this study, it is assumed that all of Japan's assistance—yen loans, grant aid, and technical cooperation—will be implemented on a comprehensive basis; it is expected that this will serve as a helpful precedent for future assistance projects organically combining different schemes.

#### SECTION 4. FINDING, FOSTERING, AND USING DEVELOPMENT PERSONNEL

---

In order to respond to the increasingly diverse and complex issues of development assistance, it is essential to extend support not just in the form of hardware, such as the roads and bridges that serve as key elements of a region's infrastructure but also on the "software" and policy sides, including operating methods and coordination with the development of the region as a whole. Ample human resources must be secured and trained to provide assistance in infrastructure improvement, in the "soft" sectors and in the design and construction of economic and social systems coordinating with the international community. Such personnel must have a great deal of knowledge and experience in specialized fields and in the situation surrounding developing countries and must also be able to communicate in foreign languages. Finding and fostering assistance personnel, along with the improvement of implementation systems, is one of the keys to successful ODA reform, and it is an important element in achieving public participation in ODA.

To meet such needs, the Foundation for Advanced Studies on International Development (FASID), which was established in 1990 as an institution to promote the concept of an International Development University, has been carrying out training for assistance personnel, dispatching people overseas, and conducting survey and research projects. In April 2000, FASID and the National Graduate Institute for Policy Studies (GRIPS) jointly commenced a Master's Program in International Development Studies at GRIPS. This program aims to produce candidates for management positions in international institutions and people to occupy key posts in the Japanese government and ODA implementation bodies through advanced graduate studies that are both practical and internationally valid on development economics, project management, poverty issues, and other subjects. Courses concerning development cooperation have also been established at a number of national and private universities (notably Kobe and Nagoya Universities), with cooperation from FASID, including the dispatch of instructors.

JICA, which implements technical cooperation, has been making use of the specialized knowledge of experts in relevant governmental organizations and local governments, and in some fields it has been hiring experts from the private sector under an Open Recruitment system so as to be able to employ external human resources, particularly younger people and expert personnel on the front lines of its operations.<sup>24</sup> Starting in fiscal year 2002, JICA has moved to further promote the use of personnel from the private sector in order to make more

active use of Japanese industry's store of advanced technology. In addition, the agency is implementing training for experts scheduled to be dispatched to developing countries, including language instruction and courses about healthcare matters, along with such cross-sectoral issues as the environment and Women in Development (WID); it also offers training and seminars for local civil servants and employees of NGOs.

By actively promoting the participation of people of various age groups through the Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteer programs and the involvement in ODA by local civil servants and active employees of private-sector businesses with distinctive experiences and technical expertise, JICA makes use of Japan's leading technologies and know-how in the provision of assistance for developing countries.<sup>25</sup>

In response to calls noting the importance of coordination with NGOs and other organizations, JICA launched in fiscal year 2002 a program to promote public participation in development cooperation, as a part of which it is implementing the JICA Partnership Program for grassroots technical cooperation. It is hoped that this undertaking will allow the active implementation of assistance making maximum use of the know-how to be found in NGOs, local governments, universities, and elsewhere within Japan.

There is also increasing demand for support on the "soft" side, involving systems and policies, so that capabilities in the area of consulting need to be strengthened. An active exchange of ideas with consultants in this field is

---

24. Through its Open Recruitment program from fiscal year 1997 through fiscal year 2001, JICA has dispatched a total of 151 experts (by fiscal year, 2 in 1997, 33 in 1998, 43 in 1999, 28 in 2000, and 45 in 2001).

25. In fiscal year 2001 a participation system for incumbent teachers was launched for the short-term dispatch of currently working teachers, and 66 such teachers were sent to developing countries.

being conducted with the aim of ascertaining recipient countries' "soft" needs and strengthening Japan's future assistance efforts.

The Final Report of the Second Consultative Committee on ODA Reform also touched on measures to find, foster, and make use of development personnel; in this connection it proposed such steps as the improvement of development education in compulsory schooling, the establishment of a "Human Resource Centre for In-

ternational Cooperation" (tentative), and the employment by MOFA and ODA implementation bodies of personnel from outside sources. As noted at the beginning of this section, the finding and training of a broad range of personnel capable of meeting increasingly diverse development needs and of winning high international assessments is a major issue for Japan; this will be addressed based on a medium- to long-term perspective.

## Part II

---

# COUNTRY ASSISTANCE PROGRAMS





---

# SUMMARIES OF COUNTRY ASSISTANCE PROGRAMS

The following are summaries of country assistance programs formulated and published since October 2000.

## CHINA<sup>\*</sup>

### 1. Changes in the Situation Surrounding Japan's ODA to China

- Severe economic and fiscal situation and criticism in Japan against ODA to China (compliance with the ODA Charter, China's aid to third countries, lack of publicity efforts within China, etc.)
  - Change in China's development agenda as a result of Chinese economic development (narrowing the gap between the coastal areas and the inland regions, poverty reduction, preparation for accession to WTO, global issues, etc.)
- Need for Review on Japan's ODA to China

### 2. Japan's Future ODA to China

(Towards making ODA to China effective and efficient based on Economic Cooperation Program for China)

#### *Main Features of Future ODA to China*

Shift from multi-year pledging of yen loan

to a single-year pledging system (selecting aid projects for each year)

Ensuring that ODA can have understanding and support from Japanese nationals, and close examination for selection of each project based on national interest. (Priority areas: environmental protection and other global issues, transition to market economy, promoting mutual understanding, social development and welfare of inland regions, support for private-sector activities)

China principally implementing economic infrastructure development in the coastal areas on its own

Aid total based on projects carefully selected as far as the annual level of ODA is concerned, without making the previous levels as a prerequisite. A long list of candidate projects, which enhances transparency, to be also introduced for future yen loans

Making utmost efforts to ensure deeper understanding on the Chinese side of the principles of Japan's ODA Charter through any possible opportunity

Carrying out timely evaluations and expeditiously reflecting the results in future assistance

---

\* The full text of the Economic Cooperation Program for China may be viewed at <[www.mofa.go.jp/policy/oda/region/e\\_asia/china-2.html](http://www.mofa.go.jp/policy/oda/region/e_asia/china-2.html)>.

## CAMBODIA

### 1. Changes in the Situation Surrounding Japan's ODA to Cambodia

#### *(1) Significance of economic cooperation*

- As the largest donor of assistance to Cambodia, Japan's consistent support for its efforts at reconstruction
  - Importance of political stability (need for peace and stability in Asia)
  - Economic importance (Cambodia's economic growth will not only contribute greatly to the long-term economic revitalization of ASEAN as a whole, it will also be advantageous to Japan's economy.)
- Achieving sustainable economic growth and social stability (supporting various reforms, providing basic economic infrastructure, and pursuing rural development and other measures to combat poverty)
  - Supporting the most vulnerable members of society (education and healthcare sectors, etc.)
  - Addressing global issues (environmental conservation, measures to combat illegal drugs, etc.)
  - Rectifying imbalances with other ASEAN member states (including development in the Mekong basin)

#### *(2) Development tasks*

The greatest tasks are recovery and reconstruction.

- Measures to combat poverty
- Inadequate human resources
- Instituting reforms and providing social capital
- Removal of land mines and support for victims

### 2. Japan's Future ODA to Cambodia

#### *Main Features of Future ODA to Cambodia*

#### *(1) Intended direction of Japan's economic cooperation*

- Continued support for the recovery efforts of Cambodia, which is still confronting economic difficulties
- Maintaining the prospect of a transition from recovery to growth but preserving a balance between sustainable economic growth and poverty reduction
- Focus on grant assistance and technical cooperation

## MALAYSIA

### 1. Changes in the Situation Surrounding Japan's ODA to Malaysia

#### *(1) Significance of economic cooperation*

- Focal point of cooperation within the ASEAN region
- Geopolitical importance (coastal location along the Straits of Malacca, a vital sea lane)
- Economic importance (important base of overseas production for Japan and source of natural gas imports)

#### *(2) Development tasks*

Improving the economy to ensure stable expansion.

- Raising the level of manufacturing
- Cultivating economic sectors by taking advantage of the presence of resources
- Developing higher-level human resources
- Addressing environmental concerns
- Rectifying imbalances

### 2. Japan's Future ODA to Malaysia

#### *Main Features of Future ODA to Malaysia*

#### *(1) Intended direction of Japan's economic cooperation*

- Importance of focusing assistance on sectors and tasks that would be difficult for Malaysia to address on its own in view of its achievement of a certain level of economic development, Malaysia can entertain the prospect of becoming a donor nation itself in the future
- Focus on yen loans and technical cooperation

#### *(2) Priority sectors and themes*

- Improving economic competitiveness (raising the level of manufacturing and im-

proving efficiency, providing support for the IT sector, cultivating and strengthening economic sectors by taking advantage of the presence of resources)

- Cultivating human resources equipped with high-level knowledge and skills
- Preserving the environment
- Rectifying imbalances



# Part III

---

## DATA AND GRAPHS





**Chart 6. Aid for Education**

Fiscal year	Grant aid		Loans		Technical cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
						%		%		%
1996	19.33	9.9	18.36	1.4	274	2.5	157	5.1	234	22.3
1997	24.62	12.3	14.62	1.4	341	3.0	149	4.9	228	19.8
1998	18.26	15.1	35.15	3.2	396	2.0	193	5.6	205	17.5
1999	19.45	16.7	12.50	1.2	349	1.9	243	6.1	219	17.0
2000	13.45	12.3	6.35	0.7	458	2.6	283	8.4	343	20.8

Notes: (1) Percentages are of total grants (excluding debt relief, nonproject aid, and grant assistance for grassroots projects), loans (excluding rescheduling), and technical cooperation, respectively. (2) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis.

## Chart 7. Aid for Health and Medical Care

### I. Aid for Health and Medical Care

Fiscal year	Grant aid		Loans		Technical cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
						%		%		%
1996	19.54	10.0	19.79	1.5	1,214	11.1	464	15.4	172	14.4
1997	22.13	16.8	5.56	0.5	1,237	10.9	474	15.5	170	14.7
1998	25.40	20.5	42.10	3.9	2,428	12.3	487	14.2	185	15.8
1999	24.03	20.6	0.00	0.0	3,154	17.6	553	13.8	234	18.1
2000	27.25	25.1	1.51	1.7	2,184	12.5	558	16.5	243	17.7

Notes: (1) Percentages are of total grants (excluding debt relief, nonproject aid, grant assistance for grassroots projects, and the project for human resource development scholarship), loans (excluding rescheduling), and technical cooperation, respectively. (2) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis.

### 2. Global Issues Initiative (GII) on Population and AIDS

FY 1999		FY 2000		% increase	
¥ billion	\$ million	¥ billion	\$ million	¥ basis	\$ basis
77.60	646.7	73.97	704.4	-4.6	8.9

### 3. Breakdown of GII Disbursements

	¥ billion	\$ million	% of total
Direct assistance for population	14.81	141.0	20.0
Indirect assistance for population	55.80	531.4	75.4
HIV/AIDS	3.36	32.0	4.6
<b>Total</b>	<b>73.97</b>	<b>704.4</b>	<b>100.0</b>

Notes: (1) Direct assistance involves activities that relate directly to population and family planning, such as mother and child health care, family planning, information and communication on family planning, and statistics on population dynamics. (2) Indirect assistance includes primary health care, primary education, and vocational training and literacy education for women.

---

## **Chart 8. Concrete Measures Taken Under the Okinawa Infectious Diseases Initiative (IDI)**

---

### I. HIV/AIDS COUNTERMEASURES

#### Japan-US Joint Project Formulation Mission to Cambodia and Tanzania

Japan and the United States dispatched joint project formulation missions to Cambodia in June 2000 and Tanzania in January 2001 to take measures against such infectious and parasitic diseases as HIV/AIDS and to improve maternal and child health care. Japan and the United States previously sent joint project formulation missions on population and HIV/AIDS to Zambia and Bangladesh under the US-Japan Common Agenda. The joint mission to Cambodia identified three priority areas for future Japan-US cooperation, namely, (1) HIV/AIDS and other sexually transmitted diseases, co-infection of HIV and tuberculosis, and malaria and other parasitic diseases; (2) maternal and child health and reproductive health; and (3) qualitative improvements of health systems.

#### \$14.36 Million for Project to Improve National Blood Transfusion Services in Sri Lanka

Japan has decided to provide up to ¥1,508 million (\$14.36 million) in yen loans for a project to improve national blood transfusion services in Sri Lanka. This project contributes to the establishment of a safe and efficient blood supply system for infectious diseases control in the country. The loans will be used to construct the National Blood Transfusion Center, to furnish equipment to the center and local blood banks, and to offer such consulting services as engineering and training.

#### \$600,000 for Capacity Building in Cambodia to Fight HIV/AIDS

HIV/AIDS was first detected in Cambodia in 1991 and continues to spread rapidly. Recent UNAIDS estimates show that over 220,000 people in the country are now infected with HIV/AIDS. Infection exacerbates poverty, creating conditions for an even bigger epidemic. Japan has decided to provide \$600,000 in technical cooperation to Cambodia through the Asian Development Bank and the Japan Special Fund to build capacity and improve the effectiveness of the Cambodian government's response to the HIV/AIDS epidemic. Specific components of the cooperation are strengthening multisectoral and local responses to the epidemic and analysis of surveillance data to identify risk factors and trends and patterns in transmission.

### 2. TUBERCULOSIS CONTROL

#### \$5.45 Million for a Southern Yemen TB Control Program

In Yemen, there are about 12,000 registered tuberculosis patients and about 5,000 people are newly infected with tuberculosis every year. Japan has extended various forms of grant aid totaling approximately ¥2.5 billion and project-type technical cooperation to support Yemen's national tuberculosis control programs, and it recently decided to provide grant aid of up to ¥564 million (\$5.37 million) to expand tuberculosis control in southern Yemen. This assistance will be used to construct a tuberculosis control center in Aden for training and for diagnostic and research activities.

Japan also provided \$76,000 in grant assistance for a grassroots project to repair the tuberculosis ward of Aden Hospital.

### 3. MALARIA AND PARASITIC DISEASES CONTROL

#### Workshop on Global Parasite Control Administration

Japan held the third Workshop on Global Parasite Control Administration in November 2000, inviting participants from seven Asian and six African countries. Japan, as a country that has successfully brought parasitic diseases under control, will set up centers in Thailand, Kenya, and Ghana for training and research activities,

as expressed at the 1998 Birmingham Summit by Prime Minister Ryutaro Hashimoto and also at TICAD II. Japan has initiated project-type technical cooperation at the Faculty of Tropical Medicine of Mahidol University in Thailand, which will serve as the Asian center for the “Hashimoto Initiative for Global Parasite Control.” The workshop is the first step by the Japanese government to fulfill its global commitment on parasitic diseases control through human resources development.

#### 4. POLIO ERADICATION

##### Kyoto Meeting on Polio Eradication in the Western Pacific Region

Japan successfully co-hosted with the WHO/WPRO the Kyoto Meeting on Poliomyelitis Eradication in the Western Pacific in October 2000, where the Western Pacific region was declared polio-free. Japan, as the largest donor to the region, has been collaborating with WHO/WPRO and UNICEF in supplying vaccines, cold-chain equipment, and related diagnostic equipment for surveillance, which amounted to approximately \$30 million over the period from fiscal year 1993 to fiscal year 1999.

#### 5. FUNDING THROUGH THE TRUST FUND FOR HUMAN SECURITY

Japan provided approximately \$1.3 million to Kenya, Nigeria, Rwanda, and Senegal through the Trust Fund for Human Security to address HIV/AIDS-related issues in gender equality and promote human security.

#### 6. OTHERS

##### Contributions to International Organizations

In fiscal year 2000, Japan contributed approximately \$69 million to the UNFPA and IPPF, the highest respective totals among donors, \$7.22 million to UNAIDS, and \$1.78 million to the International Center for Diarrhoeal Disease Research, Bangladesh.

**Chart 9. Water-Related Aid**

Fiscal year	Grant aid		Loans		Technical cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
					accepted	%	dispatched	%	dispatched	%
1996	24.93	19.2	236.06	18.1	175	1.6	36	1.2	4	0.3
1997	27.85	21.1	85.30	7.7	169	1.5	26	0.9	7	0.6
1998	18.63	15.0	24.92	2.3	229	1.2	36	1.1	8	0.7
1999	24.13	20.7	226.74	21.9	175	1.0	67	1.7	2	0.2
2000	21.49	19.6	178.38	20.6	270	1.5	140	4.1	3	0.2

Notes: (1) Percentages are of total grants (excluding debt relief, nonproject aid, and grant assistance for grassroots projects), loans (excluding rescheduling), and technical cooperation, respectively. (2) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis. Technical cooperation figures are numbers of people involved in the provision of water supply and sewerage systems. The amount provided as grant aid and loans includes flood countermeasures.

## Chart 10. Japan's Initiative on Women in Development (WID)

Japan's ODA Charter clearly states that "full consideration will be given to the active participation of women in development, and to their obtaining benefits from development" as one means of ensuring effective aid implementation.

Acting on this basic policy, Japan announced its WID Initiative in 1995 at the fourth World Conference on Women in Beijing. The initiative expresses Japan's intention to devote attention to the task of closing gender disparity and empowerment of women in society. Japan will endeavor to increase WID-related development assistance, with priority placed on women's education, health, and participation in economic and social activities in cooperation with developing countries, other donor countries, international organizations, and NGOs.

Japan's Medium-Term Policy on ODA, issued in August 1999, identified WID and gender issues as priority areas and outlined Japan's intention to employ cross-sectoral approaches and to emphasize community-oriented and participatory approaches to assistance.

To achieve these goals, Japan has engaged actively in projects in which women will reap the primary benefits. In addition, it now strives to place more emphasis on the empowerment of women at the project-formulation and implementation stages by having experts in gender and WID issues participate in survey teams, or by conducting hearings with local people, especially women, to build their views and opinions into aid projects.

The following are examples of Japan's major WID initiatives in fiscal year 2000.

### I. BILATERAL AID

#### A. Technical Cooperation

##### (1) Acceptance of Trainees (new)

Course name	Participants
Seminar on family planning administration for senior officers II	13
Empowerment of rural women	30
Maternal and child health nursing	9
Seminar on promotion of gender equality	9
Seminar for officers of women's education	8
Capacity building of local NGOs/NPOs for health development	14
Seminar on improvement of the status of women for government officers	8
<b>Total (includes participants in other courses)</b>	<b>922</b>

##### (2) Dispatch of Experts

Country	Project name	Experts
Indonesia	Women in Development	1
Philippines	Raising women's social status	1
Thailand	Promotion of women's participation in development	1
Bangladesh	Advisor for participatory agricultural village development	1
Kenya	Improvement of community living standards	1
<b>Total (includes experts in other projects)</b>		<b>46</b>

### (3) Project-Type Technical Cooperation

Country	Project name
Indonesia	Technical cooperation project for ensuring the quality of MCH services through the MCH handbook
Cambodia	Phase 2 of the maternal and child health project
Mongolia	Maternal and child health project in Mongolia
Sri Lanka	Quality improvement of textile and clothing products
Honduras	The reproductive health project in health region seven in the Republic of Honduras
Mexico	Reproductive health—prevention of uterine cervical cancer
Jordan	The project for family planning and Women in Development
Tanzania	The Kilimanjaro agricultural training center project in the United Republic of Tanzania
Total projects	48

### (4) Support for Development Welfare

Country	Project name
Cambodia	Project for the improvement of women's reproductive health towards poverty reduction
Laos	Income-enhancing project for Oudomxai Province
Peru	Lifestyle-enhancement project for poor women
Zambia	Participatory water supply project in Lusaka
Total projects	29

### (5) Development Studies

Country	Project name
Myanmar	Study on the implementation of quality and access of basic education
India	Study on reproductive health in the state of Madhya Pradesh
Total projects	87

### (6) Dispatch of JOCVs

Country	Main tasks	JOCVs
Bangladesh	Rural development, nurse, midwife	19
Nepal	Rural development, midwife	21
Niger	Rural development, dietician	26
Senegal	Rural development, nurse, dietician	44
Total (includes JOCVs in other countries)		521

## B. Grants

### (1) General Project-Type Grant Aid

Country	Main tasks
Indonesia	Family planning program
Kenya	Mother and child healthcare center in western districts
Mali	Improvement of mother and child healthcare
Ghana	Improvement of basic medical care in outlying regions
Morocco	Supply of drinking water to southern regions
Total projects	28

### (2) Grant Assistance for Grassroots Projects

Country	Main tasks	Recipient organization
Cambodia	Support for a mother and child regional center in Batdambang Province	Caring for Young Khmer
Thailand	Enhancement of the functions of a project to build a bright future for Thai women	Thai Woman of Tomorrow Project
Myanmar	Extension of maternity clinic	Myanmar Nursing Association
Pakistan	Establishment of Kato Women's Centre in Bagh, AJK	Family Planning Association Pakistan
Cameroon	The project for the extension and equipment of the Solidarité Féminine 2000 training center	Solidarité Féminine 2000
Senegal	Improvement of equipment at a vocational training facility for children and women	Franciscaines Missionnaires de Marie
Zambia	Support for hygienic education and vocational training for poor, city-dwelling women	Sustainable Community Development Programme (SCDP)
Ethiopia	Akaki water supply and sanitation project	Women Aid
Morocco	Vocational training for urban, disadvantaged women	Association Al Ikram
Tunisia	Construction of a vocational training center for women in the Zarzis district	Le Comité Local de Solidarité Sociale-Zarzis
Guatemala	Project to educate young women for the 21st century (phase 2); reading and writing project for young women using school books	Derección Departamental de Educación, Departamento de Jutiapa, Ministerio de Educación
Mexico	Construction of a needlework center for women in Rio Lagartos	Ayuntamiento de Rio Lagartos, Yucatán
Total projects	399	

## C. Yen Loans

Country	Project name
Peru	Sierra natural resources management and poverty alleviation project (III)
Bangladesh	Rural electrification project (V-B)
Sri Lanka	Southern highway construction project
Total projects	6



#### D. NGO Project Subsidies

Country	Project name	Recipient organization
China	Assistance for self-support of women	Care Japan
Yugoslavia	Assistance for self-support of women	JEN
Nepal	Comprehensive regional development	AMDA
Ecuador	Comprehensive regional development	Action for Mangrove Reforestation
Total projects	14	

#### 2. CONTRIBUTIONS TO MULTILATERAL INSTITUTIONS

UNDP Japanese WID Fund	\$2.0 million
IFAD Japanese WID Fund	\$0.5 million

**Chart 11. Aid for Transport**

Fiscal year	Grant aid		Loans		Technical cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
					accepted	%	dispatched	%	dispatched	%
1996	25.74	13.2	415.66	32.0	691	6.3	233	7.6	6	0.6
1997	32.04	16.0	392.93	37.1	720	6.3	225	7.4	2	0.2
1998	34.85	28.8	338.69	31.2	711	3.6	206	6.0	5	0.4
1999	30.08	25.8	338.34	32.7	615	3.4	295	7.4	9	0.7
2000	33.60	30.7	456.84	52.7	530	3.0	220	6.5	9	0.5

Notes: (1) Percentages are of total grants (excluding debt relief, nonproject aid, and grant assistance for grassroots projects), loans (excluding rescheduling), and technical cooperation, respectively. (2) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis.

---

## Chart 12. Partnership for Democratic Development (PDD) Projects in FY 2000

---

### *Support for Institution Building*

Japan supports system building in developing countries through the dispatch of experts, the acceptance of trainees, the invitation of leaders of government, and the hosting of seminars on legal, administrative, public-service, and police systems, including descriptions of the Japanese system. Japan also provides financial support for system building.

### *Support for Democratization*

Mongolia (invitation of 6 persons, dispatch of 3 persons)

### *Seminar on Democracy and Good Governance*

Tajikistan (acceptance of 9 persons); African countries (acceptance of 27 persons)

### *Support for Legal and Judicial Systems*

Legal and Judicial Cooperation in Cambodia (acceptance of 17 persons)

Legal and Judicial Cooperation in Viet Nam (acceptance of 39 persons)

Promotion of Legal System in Laos (acceptance of 10 persons)

Course on Corruption Control in Criminal Justice (acceptance of 13 persons)

Training Programs in Crime Prevention and Treatment of Offenders (UNAFEI) (acceptance of 62 persons, dispatch of 5 persons)

### *Support for Administrative Systems*

Seminar for Top Managers in Developing Countries on Local Government Administration (invitation of 20 persons)

Seminar on Immigration Control Administration for Asian Countries (invitation of 14 persons)

Training Courses for Palestinians on Governance and Institution Building (acceptance of 110 persons)

### *Support for Police Systems*

Latin America: Seminar for Senior Police and Law Enforcement Officers (invitation of 9 persons)

Viet Nam: Seminar for Senior Police Administrators (invitation of 5 persons)

Central Asia: Seminar for Criminal Investigators (invitation of 4 persons)

South Africa: Seminar on Traffic Police Administration (acceptance of 6 persons)

Indonesia: Support for National Police (dispatch of 4 persons)

### *Support for Democratic Elections*

Japan supports democratic elections through the dispatch of personnel, financial assistance, and the provision of training and equipment.

Peru: Presidential and Congressional elections (contribution of \$200,000 to the OAS, dispatch of 8 persons)

Bosnia and Herzegovina: Regional assembly elections (contribution of approximately \$1.04 million to the OSCE, dispatch of 11 persons)

Ghana: Presidential and Parliamentary elections (dispatch of 3 persons)

Zimbabwe: House of Assembly election (dispatch of 6 election monitors)

Tanzania: Presidential and National Assembly elections (contribution of \$66,000, dispatch of 5 persons)

Haiti: General election (contribution of \$95,000)

### *Strengthening of Civil Society*

Japan contributes to the strengthening of civil society and the development of human resources, which are the foundations of democracy, through support for voter education, the cultivation of leaders, and media development, as well as the hosting of training programs and other means.

Grant assistance for grassroots projects: Education about democracy and elections (contribution of ¥102.47 million for 18 projects)

Human resources development: NGO project subsidies (contribution of ¥80 million for 22 projects)

Media development: Invitation of television crews (approximately 25 teams a year) and other media representatives (approximately 120 persons a year)

### *Intellectual Support*

Japan indirectly supports democratization through research on human rights and democratization, subsidies for cultural and educational facilities, and the dispatch and invitation of opinion and cultural leaders.

Personnel exchanges to support democratization and market opening in the former Soviet Union and Eastern Europe (invitation of 19 persons)

Projects organized by the Japan Foundation Asia Center, including support for research on democratization and the convening of conferences (32 projects)

Cooperation with the Council of Europe (subsidies for various programs, dispatch of lecturers)

### *Expanding Women's Political Participation*

Japan supports efforts to raise women's status in society and to expand their participation in politics, paying particular attention to their role in development and the protection of their human rights.

NGO project subsidies and projects to promote women's independence (contribution of ¥27.26 million for 8 projects)

Grant assistance for grassroots projects (contribution of approximately ¥1.98 billion for 399 projects)

Conference of senior East Asian government officials in charge of women's issues (11 persons)

### *Human Security*

In March 1999, Japan established the Trust Fund for Human Security in the UN Secretariat to support projects seeking to secure human security that are implemented by international organizations.

---

## Chart 13. Japan's Initiatives for Sustainable Development (ISD) Toward the 21st Century and Actions Taken in FY 2000

---

### I. PHILOSOPHY OF ISD

#### (1) Global Human Security

Environmental issues threaten human existence, and constitute a security issue under the broad meaning of the term.

#### (2) Ownership

It is vitally important that developing countries assume the primary responsibility and role in taking action on their own initiative, and that developed countries assist developing countries in undertaking these self-help efforts.

#### (3) Sustainable Development

For developing countries to achieve sustainable development, environmental cooperation should be extended with attention being paid to the different economic and social conditions of each country.

### II. PROGRAM OF ACTION (KEY POINTS) AND EXAMPLES OF ACTIVITIES IN FY 2000

#### 1. Air Pollution (Acid Rain), Water Pollution, and Waste Disposal

##### (1) Acid Deposition Monitoring Network in East Asia

Monitoring of acid rain and development of technology (training course)

##### (2) Cooperation Through Environmental Centers

Cooperation with centers in Indonesia, China, Chile, Mexico, and Egypt (project-type technical cooperation)

##### (3) Financial and Technical Cooperation

Samoa: Waste management and compost program (grant assistance for grassroots projects)

China: Guiyang Environmental Model City Project (II) (yen loan)

China: Dalian Environmental Model City Project (II) (yen loan)

China: Chongqing Environmental Model City Project (II) (yen loan)

China: Technology for control of waste gases in the petrochemical industry (project-type technical cooperation)

Viet Nam: Study on environmental improvement project for Hanoi City (development study)

#### 2. Global Warming (The Kyoto Initiative)

##### (1) Cooperation for Human Resources Development

Course on global warming (training course)

Indonesia: The forest fire prevention management project (project-type technical cooperation)

Professional energy conservation centers in Turkey, Argentina, and Bulgaria (project-type technical cooperation)

Mongolia: Electricity supply program using reusable energy sources (development study)

## (2) Most Concessional Yen Loans

Thailand: MRTA Initial System Project (Blue Line) (V) (yen loan)

Mongolia: Rehabilitation project of the fourth thermal power station in Ulaanbaatar (yen loan)

China: Hubei small-sized hydropower project (yen loan)

## (3) Other Projects

Maldives: Project for seawall construction on Male's Island (IV) (grant aid)

Mongolia: Renovation project for village power generating facilities (IV) (grant aid)

## 3. Nature Conservation

### (1) Biodiversity Conservation

Indonesia: Biodiversity conservation project II (project-type technical cooperation)

Latvia: Study on environmental management plan for Lubanas wetland complex (development study)

### (2) Coral Reef Conservation Network

Palau: Project for the establishment of the Palau Coral Reef Conservation Center (grant aid, technical cooperation)

Indonesia: Project to manage coral reefs in northern Sulawesi (development study)

### (3) Promotion of Sustainable Forest Management and Strengthening of Cooperation Against Desertification

Senegal: Project for coastal afforestation (grant aid)

Ethiopia: Afforestation project at Entoto National Park (grant assistance for grassroots projects)

China: Shanxi loess plateau afforestation project (yen loan)

Kenya: The social forestry extension model development project for semiarid areas (project-type technical cooperation)

Niger: Cooperative project to promote greenery (technical cooperation)

Malawi: Master plan study on watershed rehabilitation in Middle Shire (development study)

Nepal, the Philippines, China, and Ecuador: Environmental conservation (afforestation) projects (NGO project subsidy)

## 4. "Water" Issues

Morocco: Supply of drinking water in southern areas (grant aid)

Morocco: Supply of drinking water for the village of El Faid (grant assistance for grassroots projects)

Peru: Lima marginal area sanitary improvement project (yen loan)

Egypt: The water supply technology training improvement project in Egypt (project-type technical cooperation)

India, Indonesia, East Timor: Life environment (improvement of water-supply and sewerage systems) (NGO project subsidy)

## 5. Raising Environmental Awareness

Active promotion of dialogue on policies regarding environmental cooperation

Support for local conservation activities through the provision of grant assistance for grassroots projects

## Chart I4. Aid for the Environment

### I. Aid by Type

Fiscal year	Grant aid		Loans		Technical cooperation		Contributions to multilateral institutions		Total	
	¥ billion	%	¥ billion	%	¥ billion	%	¥ billion	%	¥ billion	%
1996	36.07	27.8	386.47	29.7	25.34	16.9	15.38	11.3	463.2	27.0
1997	36.46	27.7	162.34	15.3	30.07	19.2	15.81	4.6	244.7	14.5
1998	28.99	25.9	328.09	30.2	30.42	19.6	26.31	10.2	413.8	25.7
1999	29.37	25.2	464.45	44.9	28.25	19.0	13.60	4.5	535.7	33.5
2000	24.42	22.5	386.06	44.5	28.43	18.2	13.61	4.7	452.5	31.8

Notes: (1) Grants and loans are on an exchange-of-notes basis; technical cooperation is on the basis of JICA expenditures; contributions to multilateral institutions are on a budget-appropriation basis. (2) Percentages for each type of ODA are of the totals for each respective type. Grants refer to grant aid and exclude debt relief, nonproject aid like support for economic structural reform, and grant assistance for grassroots projects. Loans include both project- and nonproject-type loans (commodity loans and financing for structural adjustments) but exclude loans for debt relief. (3) The percentages for "Total" are of total ODA.

### 2. Bilateral Technical Cooperation

#### A.

Fiscal year	Project-type technical cooperation				
	Number	Trainees accepted	Experts dispatched	Development studies	Equipment only
1996	74	160	545	98	10
1997	80	156	562	115	31
1998	81	170	593	120	19
1999	73	168	610	115	14
2000	47	132	449	110	8

Notes: (1) Includes aid to Eastern Europe. (2) Figures are on a JICA basis. (3) Includes both new and ongoing projects. Figures for project-type technical cooperation include the provision of follow-up assistance. (4) Project-type technical cooperation refers to the combination of the dispatch of experts, acceptance of trainees, and provision of equipment.

#### B.

Fiscal year	Acceptance of trainees		Dispatch of experts		Dispatch of volunteers	
	Persons	%	Persons	%	Persons	%
1996	1,559	14.5	284	9.4	116	3.4
1997	1,572	13.8	309	17.0	85	2.4
1998	1,758	8.9	279	13.6	102	2.9
1999	1,880	10.5	435	17.3	116	3.2
2000	2,277	13.0	505	14.9	132	8.0

Notes: (1) Includes aid to Eastern Europe. (2) Figures are on a JICA basis. (3) Trainees include only those who were newly accepted. Experts and volunteers include both those who were newly dispatched and those remaining in the field. (4) Percentages are of the respective totals of those accepted and dispatched under Japan's ODA.

### 3. Bilateral Aid by Sector

Fiscal year	Residential environment		Forest conservation		Antipollution measures		Disaster prevention		Others	
	¥ billion	%	¥ billion	%	¥ billion	%	¥ billion	%	¥ billion	%
1996	280.3	62.6	37.2	8.3	60.9	13.6	42.9	9.6	26.6	5.9
1997	99.3	43.4	22.3	9.8	34.5	15.1	38.4	16.8	34.1	14.9
1998	53.8	13.9	8.2	2.1	235.3	60.7	22.6	5.8	67.6	17.4
1999	130.3	25.0	8.9	1.7	209.0	40.0	65.6	12.6	108.3	20.7
2000	102.5	23.4	16.8	3.8	60.8	13.9	42.1	9.6	216.7	49.5

Notes: (1) Includes aid to Eastern Europe. (2) Figures are totals of loans, grant aid, and technical cooperation and do not include contributions to multilateral institutions. (3) Percentages are of environment-related ODA for each respective year. (4) "Others" include the natural environment, environmental administration, water pollution, and global warming.

### Chart 15. Aid for Agriculture, Forestry, and Fisheries

Fiscal year	Grant aid		Loans		Technical cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
	¥ billion	%	¥ billion	%	accepted	%	dispatched	%	dispatched	%
1996	48.49	24.8	139.77	10.8	1,745	16.0	856	28.0	172	16.4
1997	44.87	22.4	117.63	11.1	1,706	15.0	799	26.2	204	17.7
1998	42.07	21.8	81.16	7.5	1,881	19.5	722	22.6	217	18.5
1999	36.67	24.5	80.01	7.7	2,389	13.3	853	21.3	228	17.7
2000	33.55	20.0	44.01	5.1	2,277	13.0	704	20.8	258	15.7

Notes: (1) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis. (2) Percentages are of total grants (excluding debt relief, nonproject aid, and grant assistance for grassroots projects), loans (excluding rescheduling and commodity loans), and technical cooperation, respectively. Grant aid in the fields of agriculture, forestry, and fisheries includes grant aid for increase of food production and grant aid for fisheries but excludes food aid.

### Chart 16. Energy-Related Aid

Fiscal year	Grant aid		Loans		Technical cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
	¥ billion	%	¥ billion	%	accepted	%	dispatched	%	dispatched	%
1996	5.66	2.9	296.52	22.8	284	2.6	52	1.7	–	–
1997	4.77	2.4	281.61	26.6	282	2.5	52	1.7	–	–
1998	8.09	6.7	212.93	19.6	285	1.4	55	1.6	–	–
1999	4.55	3.9	112.69	10.9	318	1.8	72	1.8	–	–
2000	4.13	3.8	92.21	10.6	387	2.2	69	2.0	2	0.1

Notes: (1) Percentages are of total grants (excluding debt relief, nonproject aid, and grant assistance for grassroots projects), loans (excluding rescheduling), and technical cooperation, respectively. (2) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis.



## Chart 17. Countermeasures Against Drug Abuse

### GRANT AID

FY	Country	Project Name
1992	Thailand	Project for the establishment of the Chang Khaim Highland agricultural development and training center
1994	Myanmar	Grant aid for increase of food production
1998	Myanmar	Grant aid for increase of food production
1998	Peru	Nonproject grant; grant aid for increase of food production
1999	Peru	Grant aid for increase of food production
2000	Myanmar	Drinking water project near border regions in Shan State

### Grant Assistance for Grassroots Projects

1990	India	Improvement of propagation plan against drug use through brochures, posters, hearings, and billboards
1992	Thailand	Project for support of hill-tribe development
1994	Myanmar	AIDS intervention program on drug addicts
1995	Peru	Project for the cultivation of alternative crops
1996	Lebanon	Drinking water project for the village of Howsh el Sayed Ali
	Laos	Project for the detoxification of drug addicts in Luangprabang Province
	Dominican Republic	Project for the provision of printing equipment for activities against drugs and AIDS
1997	Laos	Project for construction of Nam Pung Noi primary school Project for construction of Nam Pung Gnai primary school Project for construction of Phone Kham primary school Project for construction of Nam Yuak primary school Project for construction of Sob Yuak primary school (These projects in Laos are all in high priority drug prevention areas.)
	Myanmar	Project for the provision of material and technical assistance to the education and health sectors of Tar Shwe Tan Project for the provision of water supply and preparations for agricultural income generating activities in Tar Shwe Tan
	Thailand	Antidrug project for slum-dwelling children Project to build a friendship house for people with drug addiction and HIV/AIDS Project for the prevention of AIDS and the creation of a care-providing network
	Nepal	Project for support for rehabilitation and occupational therapy for drug-dependent youth
	Philippines	Information and education program on HIV/AIDS and community outreach campaign on prohibited drugs
	Belize	Vocational skills training for the reintegration of drug addicts into society
	Peru	Project to support the organization of a forum on the global initiative to reduce drug demand and promote dialogue between the Americas and Asia
1998	Laos	Project for the construction of irrigation facilities in Nahan

		Project for the construction of irrigation facilities in Muang Bo Project for the construction of irrigation facilities in Vang Nhom (The above three project sites are in high priority drug prevention areas.)
	Mexico	Project to upgrade the center for the rehabilitation of drug addicts, alcoholics, and the emotionally disturbed
	Peru	Project for the distribution of educational materials for the prevention of drug abuse Integrated project for the cultivation of cacao in the Apurimac river valley
1999	Laos	Project for the construction of irrigation facilities in Samphanthong Village Project for the construction of irrigation facilities in Natouan Village Project for the construction of mountain roads in Moksala Project for the reorganization of Ait District Hospital Project for the improvement of Sopbao District Hospital Project for the construction of mountain roads in Naxiendy
	Indonesia	Provision of rehabilitation equipment for juvenile delinquents and drug addicts
	Panama	Provision of rehabilitation equipment for juvenile delinquents and drug addicts
	Myanmar	Hydroelectric power generating project in the Bhamo district Symbiosis project in the Wa district
	Mongolia	Project to promote the eradication of harmful drugs
	Peru	Project to establish a center for the publication of educational materials to prevent the consumption of drugs
2000	Indonesia	Project for the prevention of drug abuse in Indonesia
	Viet Nam	Project to provide education outside the school framework to prevent drug abuse
	Myanmar	Project to promote the growth of buckwheat as a substitute for poppy cultivation Project for the construction of a hospital and drug rehabilitation center in the Mong Park district
	Laos	Project for the improvement of mountain roads in Samsoum Project to repair mountain roads in Nam You Project for the improvement of mountain roads in Pakha Tai Project for the improvement of mountain roads in Muang Orh Project for the improvement of mountain roads in Muang Kao Project for the improvement of mountain roads in Muang Peu
	Dominican Republic	Project for the training and support of antidrug technicians
	Peru	Project to promote and reinforce the cultivation of cacao in the Apurimac river valley Project to promote the cultivation of cacao in the Aguaytia river valley
	Colombia	Project to prevent the consumption of stimulant drugs Project to promote Frijol cultivation as a substitute for growing drugs Project to promote dairy farming in Guaviare Project to introduce natural rubber plant in Caqueta

## TECHNICAL COOPERATION (JICA'S IMPLEMENTATION OF DRUG-RELATED PROGRAMS)

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Acceptance of Trainees (drug-crackdown seminars, drug abuse prevention activities, etc.)	27	31	29	32	37	25
Third Country Training Courses (prevention of drug-related crime)*						
Thailand	15	17	20	18	20	18
Costa Rica	20	18	31	—	—	—

\* From fiscal year 1999 the course has been known by a new name: Drug eradication and crackdown on crime.

### Dispatch of Individual Experts

Fiscal year	Country	Number of participants	Project Name
1992	Thailand	1	Drug and narcotic analysis
1993	Poland	1	Drug analysis
1998	Cambodia	1	Crackdown on drugs
1999	Thailand	1	Countermeasures against drugs
1999	Thailand	2	Drug eradication and crackdown on crime (through third country training courses)
1999	Myanmar	4	Countermeasures against stimulants
2000	Thailand	4	Countermeasures against drugs
2000	Myanmar	8	Seminar on countermeasures against stimulants

### Cultivation of Substitute Crops

1997	Myanmar	1 trainee, 1 expert for buckwheat cultivation
1998	Myanmar	4 special trainees, 4 experts (short-term) for buckwheat cultivation; 2 experts (long-term) for poverty countermeasures and adjustment of operations as well as of buckwheat cultivation
1999	Myanmar	2 experts (long-term) for buckwheat cultivation and stockbreeding
2000	Myanmar	1 expert (long-term) for poverty countermeasures and adjustment of operations; 2 experts (short-term) for planting and irrigation

### Development Cooperation Projects (Development Investment and Loan Program)

2000	Myanmar	Experimental production of chrysanthemum seedlings (as a substitute crop)
------	---------	---

Contributions to International Organizations

(\$)

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
DAP (Colombo Plan)	155,000	155,000	140,000	70,000	70,000	70,000
UNDCP	6,000,000	6,700,000	5,000,000	3,817,000	3,754,000	3,379,000
CICAD*	250,000	250,000	220,000	155,000	155,000	155,000
Total	6,405,000	7,105,000	5,360,000	4,112,000	3,979,000	3,604,000

\* CICAD: Inter-American Drug Abuse Control Commission

Japan Policy and Human Resources Development (PHRD) Fund at the World Bank

FY 1998	Colombia	Partnership for agricultural production, a peace project to encourage the cultivation of substitute crops
---------	----------	---

NGO PROJECT SUBSIDIES

Save the Children Japan

FY 1996, 1997	Thailand	Improvement of local industries (through vocational training for young people)
---------------	----------	--

Sotoshu Volunteer Association

FY 1996, 1997, 1998	Thailand	Assistance for self-support of women (training to enhance self-reliance)
FY 1996, 1997	Thailand	Improvement of local industries (through vocational training for young people)

International Social Service Japan

FY 1996	Viet Nam	Assistance for self-support of women (training to enhance self-reliance)
---------	----------	--

Save the Children Japan

FY 1999, 2000	Thailand	Fostering of human resources (through study programs in poor districts)
---------------	----------	---

Abdullah Japan

FY 2000	Thailand	Health and hygiene (through healthcare and education)
---------	----------	---

Karamosia International

FY 2000	Myanmar	Farming/fishing village development (through dispatch of experts)
---------	---------	---

Shanti Volunteer Association

FY 2000	Thailand	Fostering of human resources (through study programs in poor districts)
FY 2000	Laos	Fostering of human resources (through study programs in poor districts)

**Chart 18. Aid for Telecommunications**

Fiscal year	Grant aid		Loans		Technical Cooperation					
	¥ billion	%	¥ billion	%	Trainees accepted		Experts dispatched		Volunteers dispatched	
						%		%		%
1996	8.70	4.5	49.38	3.8	462	4.2	77	2.5	8	0.8
1997	6.92	3.5	31.09	2.9	534	4.7	84	2.8	9	0.8
1998	1.93	1.6	13.37	1.2	578	2.9	78	2.3	9	0.8
1999	2.33	2.0	42.76	4.1	698	3.9	111	2.8	4	0.3
2000	2.01	1.8	3.21	0.4	722	4.1	68	2.0	12	0.7

Notes: (1) Percentages are of total grants (excluding debt relief, nonproject aid, and grant assistance for grassroots projects), loans (excluding rescheduling), and technical cooperation, respectively. (2) Grants and loans are on an exchange-of-notes basis; technical cooperation is on a JICA basis.

---

## Chart 19. Japan's Comprehensive Cooperation Package to Address the International Digital Divide

---

### I. BASIC CONCEPTS OF THE COOPERATION PACKAGE

- (1) To provide flexible cooperation systematically combining all forms of policy instruments in a manner which complements the active efforts of the private sector.
- (2) To ensure that efforts in target areas are coherent, encompassing the whole realm of IT-related policy in developing countries.
- (3) To give special consideration in implementing action to the importance of cooperative relations with the Asia-Pacific region, while basing cooperation at a global level. Furthermore, duly acknowledging that “networking” is a vital key in disseminating IT worldwide, to endeavor to enhance interregional cooperative alliances.
- (4) To focus due attention on collaboration with relevant international organizations and other donors with a view to global cooperation and the promotion of network development.

### 2. EXAMPLES OF IMPLEMENTED PROJECTS

#### (1) Contributing Expertise in Policymaking and Institution Building

Paraguay: Dispatch of telecommunication policy advisors

Indonesia: Dispatch of telecommunication policy advisors

Laos: Study on future development of telecommunication network

Mongolia: Master plan study on development of telecommunication capabilities in outlying areas

#### (2) Developing Human Resources

Thailand: Project-type technical cooperation for the Research Center for Communication and Information Technology (ReCCIT), King Mongkut's Institute of Technology, Ladkrabang (KMITL)

Ethiopia: Grant aid for equipment to enable distance education

Kenya: Grant aid for the enhancement of human resources development in Africa

Indonesia: Grant aid for the expansion of Electronic Engineering Polytechnic Institute of Surabaya

#### (3) Building an IT Infrastructure and Providing Assistance for the Establishment of Networks

China: Yen loan for a Liaoning television and radio infrastructure improvement project

Angola: Grant aid for the second phase of a project to improve the telephone network in Luanda

Indonesia: Grant aid for the improvement of broadcasting equipment for TVRI Jakarta news division

#### (4) Promoting the Use of IT in Development Assistance

A system utilizing up-to-date information technology to overcome the constraints of time and distance is considered highly effective and efficient in implementing technical cooperation that requires the dispatch of experts or the acceptance of trainees. From this viewpoint, Japan is preparing to construct JICA-NET, a distance technical cooperation network.

This system aims to extend timely and flexible technical cooperation and policy advice to developing countries by linking the core centers in Tokyo and Okinawa with satellite offices to be set up at human resources development centers in developing countries through satellite links and other technologies. Satellite offices were established in Indonesia, Malaysia, and the Philippines during fiscal year 2001, and operations will begin in fiscal year 2002.

**Chart 20. Trends in the ODA Budget**

	FY 1995		FY 1996		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
	Operating budget	General account	Operating budget	General account	Operating budget	General account	Operating budget	General account	Operating budget	General account	Operating budget	General account	Operating budget	General account
I. Grants	1,036.1	723.6	819.4	754.4	1,038.0	771.5	886.3	723.3	928.4	736.3	919.5	740.3	911.8	730.7
	(8.2)	(4.1)	(-20.9)	(4.3)	(26.7)	(2.3)	(-14.6)	(-6.2)	(4.7)	(1.8)	(-1.0)	(0.5)	(-0.8)	(-1.3)
I. Bilateral grants	628.1	602.1	653.4	625.6	669.5	641.8	629.6	604.3	628.8	604.1	630.5	606.6	624.6	598.5
	(4.9)	(4.4)	(4.0)	(3.9)	(2.5)	(2.6)	(-6.0)	(-5.8)	(-0.1)	(0.0)	(0.3)	(0.4)	(-0.9)	(-1.3)
(1) Economic development assistance	212.7	212.7	216.6	216.6	220.2	220.2	199.5	199.5	199.8	199.8	207.9	207.9	205.4	205.4
(2) Grant aid for increase of food production	30.2	30.2	30.2	30.2	28.0	28.0	26.3	26.3	25.4	25.4	21.4	21.4	21.3	21.3
(3) Food aid	13.0	13.0	13.3	13.3	15.3	15.3	14.5	14.5	12.7	12.7	11.2	11.2	10.3	10.3
(4) Technical cooperation	355.8	329.7	376.2	348.4	388.1	360.4	376.0	350.7	379.4	354.6	379.5	355.5	377.6	351.6
(5) Others	16.4	16.4	17.1	17.1	17.9	17.9	13.4	13.4	11.6	11.6	10.6	10.6	10.0	10.0
2. Contributions and subscriptions to multilateral institutions	407.9	121.6	165.9	128.8	368.5	129.7	256.7	119.0	299.5	132.2	289.0	133.7	287.2	132.2
	(13.9)	(2.8)	(-59.3)	(5.9)	(122.1)	(0.7)	(-30.3)	(-8.3)	(16.7)	(11.1)	(-3.5)	(1.1)	(-0.6)	(-1.1)
(1) UN agencies	70.5	70.3	74.9	74.7	76.1	75.9	75.7	75.5	80.6	80.2	79.1	78.8	81.0	80.7
(2) International financial institutions for development	337.5	51.3	91.0	54.1	292.4	53.9	181.0	43.5	218.9	51.9	209.8	54.9	206.2	51.5
II. Loans	730.5	382.5	701.6	390.8	638.6	397.2	502.7	323.9	616.8	312.6	592.0	306.3	538.2	284.5
	(-5.6)	(3.9)	(-3.9)	(2.2)	(-9.0)	(1.6)	(-21.3)	(-18.4)	(22.7)	(-3.5)	(-4.0)	(-2.0)	(-9.1)	(-7.1)
(1) OECF	717.4	378.9	685.2	387.2	622.6	395.2	491.1	323.9	202.5	127.7	—	—	—	—
(2) Japan Bank for International Cooperation	—	—	—	—	—	—	—	—	390.8	184.9	567.2	306.3	520.5	284.5
(3) Export-Import Bank of Japan	-15.9	0.0	-15.1	0.0	-13.9	0.0	-11.5	—	-2.9	—	—	—	—	—
(4) Others	28.9	3.6	31.5	3.5	29.9	2.0	23.2	—	26.4	—	24.8	—	17.7	—
III. Total	1,766.5	1,106.1	1,521.0	1,145.2	1,676.6	1,168.7	1,389.1	1,047.3	1,545.2	1,048.9	1,511.5	1,046.6	1,450.0	1,015.2
	(2.1)	(4.0)	(-13.9)	(3.5)	(10.2)	(2.1)	(-17.1)	(-10.4)	(11.2)	(0.2)	(-2.2)	(-0.2)	(-4.1)	(-3.0)

Notes: (1) As the figures in the table are rounded off, they do not necessarily add up to the totals. (2) Figures in parentheses are percent increases from previous-year figures.

**Chart 21. General Account Budget for ODA (all government agencies)**

(¥ billion)

	FY 1999			FY 2000			FY 2001		
	Budget	Amount of increase/ decrease	Increase rate (%)	Budget	Amount of increase/ decrease	Increase rate (%)	Budget	Amount of increase/ decrease	Increase rate (%)
I. Grants	736.3	12.9	1.8	740.3	4.0	0.5	730.7	-9.6	-1.3
I. Bilateral grants	640.1	-0.3	-0.0	606.6	2.5	0.4	598.5	-8.1	-1.3
(1) Economic development assistance	199.8	0.3	0.1	207.9	8.1	4.1	205.4	-2.5	-1.2
(2) Food aid, etc.	49.7	-4.5	-8.3	43.2	-6.5	-13.1	41.6	-1.6	-3.6
(3) Technical cooperation	345.6	3.9	1.1	355.5	0.9	0.3	351.6	-4.0	-1.1
2. Contributions to multi- lateral institutions	132.2	13.2	11.1	133.7	1.5	1.1	132.2	-1.5	-1.1
(1) UN agencies	80.2	4.8	6.4	78.8	-1.4	-1.8	80.7	1.8	2.3
(2) International financial institutions	51.9	8.4	19.3	54.9	2.9	5.6	51.5	-3.3	-6.1
II. Loans	312.6	-1.1	-3.5	306.3	-6.3	-2.0	284.5	-21.8	-7.1
(1) JBIC	184.9	184.9	-	306.3	121.4	65.7	284.5	-21.8	-7.1
(2) OECF	127.7	-196.2	-60.6	-	-127.7	-	-	-	-
III. Total	1,048.9	1.6	0.2	1,046.6	-2.3	-0.2	1,015.2	-31.4	-3.0

Note: As the figures in the table are rounded off, they do not necessarily add up to the totals.



**Chart 22. ODA Operating Budget (all government agencies)**

(¥ billion)

	FY 1999			FY 2000			FY 2001		
	Budget	Amount of increase/decrease	Increase rate (%)	Budget	Amount of increase/decrease	Increase rate (%)	Budget	Amount of increase/decrease	Increase rate (%)
I. Grants	928.4	42.0	4.7	919.5	-8.8	-1.0	911.8	-7.8	-0.8
I. Bilateral grants	628.8	-0.8	-0.1	630.5	1.7	0.3	624.6	-5.9	-0.9
(1) Economic development assistance	199.8	0.3	0.1	207.9	8.1	4.1	205.4	-2.5	-1.2
(2) Food aid, etc.	49.7	-4.5	-8.3	43.2	-6.5	-13.1	41.6	-1.6	-3.6
(3) Technical cooperation	379.4	3.4	0.9	379.5	0.1	0.0	377.6	-1.8	-0.5
2. Contributions to multi-lateral institutions	299.5	42.8	16.7	289.0	-10.6	-3.5	287.2	-1.8	-0.6
(1) UN agencies	80.6	4.9	6.5	79.1	-1.5	-1.8	81.0	1.8	2.3
(2) International financial institutions	218.9	37.9	20.9	209.8	-9.1	-4.2	206.2	-3.7	-1.7
II. Loans	958.1	112.3	13.3	966.8	8.7	0.9	907.8	-59.0	-6.1
(1) JBIC	560.0	560.0	-	930.0	370.0	66.1	870.0	-60.0	-6.5
(2) OECF	359.6	-450.4	-55.6	-	-359.6	-	-	-	-
(3) Others	38.5	2.7	7.5	36.8	-1.7	-4.3	37.8	1.0	2.6
III. Total (costs of projects)	1,886.4	154.3	8.9	1,886.3	-0.1	-0.0	1,819.6	-66.8	-3.5
Repayments	-341.3			-374.8			-369.6		
Grand total	1,545.2	156.1	11.2	1,511.5	-33.7	-2.2	1,450.0	-61.6	-4.1

Note: As the figures in the table are rounded off, they do not necessarily add up to the totals.

**Chart 23. General Account Budget for ODA by Ministry**

(¥ billion)

	FY 2000	FY 2001		
	Budget	Budget	Amount of increase/decrease	Increase rate (%)
Cabinet Office	126.1	129.5	3.4	2.7
National Police Agency	12.1	11.1	-1.0	-8.0
Financial Services Agency	6.1	17.7	11.6	189.2
Ministry of Public Management, Home Affairs, Posts, and Telecommunications	106.4	107.0	0.6	0.6
Ministry of Justice	51.0	51.0	-0.1	-0.1
Ministry of Foreign Affairs	56,026.0	55,650.3	-375.8	-0.7
Ministry of Finance	36,268.7	33,761.1	-2,507.6	-6.9
Ministry of Education, Culture, Sports, Science, and Technology	4,897.9	4,932.4	34.5	0.7
Ministry of Health, Labor, and Welfare	1,264.0	1,243.1	-20.9	-1.7
Ministry of Agriculture, Forestry, and Fisheries	818.3	696.3	-122.0	-14.9
Ministry of Economy, Trade, and Industry	4,872.7	4,730.5	-142.2	-2.9
Ministry of Land, Infrastructure, and Transport	146.5	143.3	-3.2	-2.2
Ministry of Environment	63.7	48.8	-14.9	-23.3
<b>Total</b>	<b>104,659.5</b>	<b>101,522.1</b>	<b>-3,137.4</b>	<b>-3.0</b>

Note: As the figures in the table are rounded off, they do not necessarily add up to the totals.

**Chart 24. Operating Budget by Ministry**

(¥ billion)

	FY 2000	FY 2001		
	Budget	Budget	Amount of increase/decrease	Increase rate (%)
Cabinet Office	126.1	129.5	3.4	2.7
National Police Agency	12.1	11.1	-1.0	-8.0
Financial Services Agency	6.1	17.7	11.6	189.2
Ministry of Public Management, Home Affairs, Posts, and Telecommunications	107.7	108.2	0.6	0.5
Ministry of Justice	51.0	51.0	-0.1	-0.1
Ministry of Foreign Affairs	57,743.1	57,394.5	-348.6	-0.6
Ministry of Finance	115,203.3	108,997.4	-6,206.0	-5.4
Ministry of Education, Culture, Sports, Science, and Technology	5,774.7	5,847.8	73.1	1.3
Ministry of Health, Labor, and Welfare	1,567.3	1,540.6	-26.7	-1.7
Ministry of Agriculture, Forestry, and Fisheries	2,668.3	2,546.3	-122.0	-4.6
Ministry of Economy, Trade, and Industry	5,163.9	5,118.8	-45.1	-0.9
Ministry of Land, Infrastructure, and Transport	146.5	143.3	-3.2	-2.2
Ministry of Environment	63.7	48.8	-14.9	-23.3
Total (costs of projects)	188,633.9	181,955.0	-6,678.8	-3.5
Repayments	-37,482.2	-36,959.2		
Grand total	151,151.7	144,995.9	-6,155.8	-4.1

Note: As the figures in the table are rounded off, they do not necessarily add up to the totals.

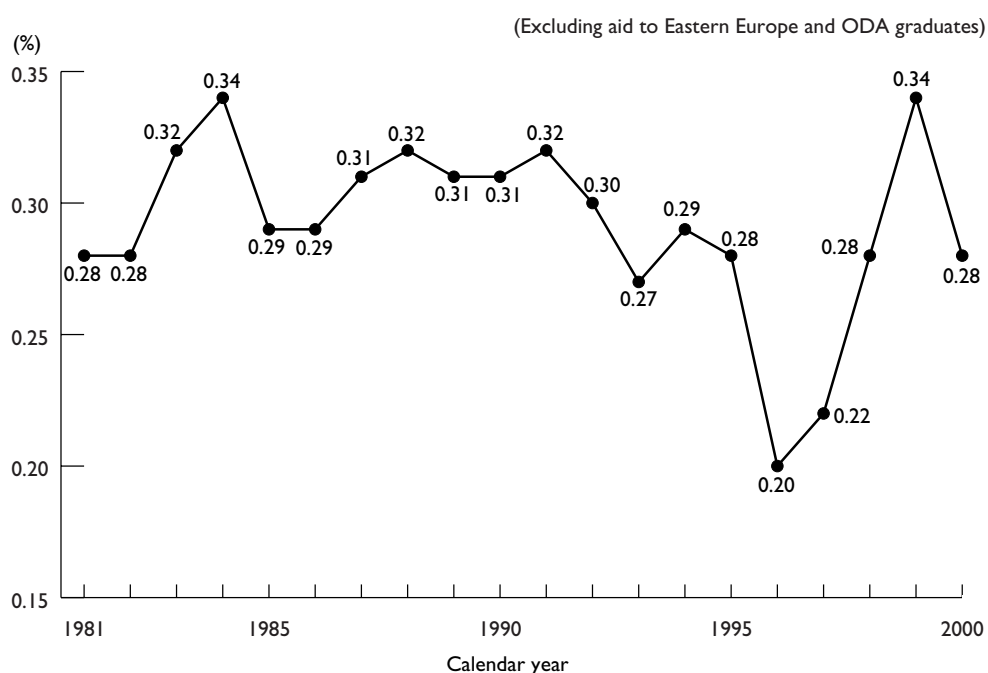
**Chart 25. Japan's ODA in 2000 by Type (finalized figures)**

(Net disbursement basis)

Type of aid	\$ million			¥ billion			Share of total (%)	
	2000	1999	2000/1999 increase rate (%)	2000	1999	2000/1999 increase rate (%)	ODA total	Bilateral
Bilateral ODA	9,640.10	10,497.56	-8.2	1,039.20	1,195.67	-13.1	71.8	100.0
(excluding aid to Part II)	9,768.14	10,475.53	-6.8	1,053.01	1,193.16	-11.7	72.3	100.0
Loans	3,826.78	4,958.58	-22.8	412.53	564.78	-27.0	28.5	39.7
(disbursed loans)	(6,893.85)	(7,987.23)	(-13.7)	(743.16)	(909.75)	(-18.3)	(51.4)	(71.5)
(amount repaid)	(3,067.07)	(3,028.64)	(1.3)	(330.63)	(344.96)	(-4.2)	(22.9)	(31.8)
(excluding aid to Part II)	4,089.95	5,000.56	-18.2	440.90	569.56	-22.6	30.3	41.9
Grants	5,813.33	5,538.97	5.0	626.68	630.89	-0.7	43.3	60.3
(excluding aid to Part II)	5,678.20	5,474.98	3.7	612.11	623.60	-1.8	42.0	58.1
Grant aid	2,108.76	2,339.82	-9.9	227.33	266.51	-14.7	15.7	21.9
(excluding aid to Part II)	2,100.05	2,317.53	-9.4	226.39	263.97	-14.2	15.5	21.5
Technical cooperation	3,704.57	3,199.16	15.8	399.35	364.38	9.6	27.6	38.4
(excluding aid to Part II)	3,578.14	3,157.44	13.3	385.72	359.63	7.3	26.5	36.6
Contributions and subscriptions to international organizations	3778.71	4,887.59	-22.7	407.35	556.70	-26.8	28.2	
(excluding contributions to EBRD)	3,740.00	4,847.52	-22.8	403.17	552.13	-27.0	27.7	
ODA total (including Part II and EBRD)	13,418.81	15,385.15	-12.8	1,446.55	1,752.37	-17.5	100.0	
(excluding aid to Part II and EBRD)	13,508.14	15,323.05	-11.8	1,456.18	1,745.30	-16.6	100.0	
Nominal GNI (\$ billion, ¥ billion)	4,807.58	4,555.87	5.5	51,825.72	51,891.39	-0.1		
% of GNI (including Part II and EBRD)	0.28	0.34		0.03	0.03			
(excluding Part II and EBRD)	0.28	0.34		0.03	0.03			

Note: (1) As of 2000, the following countries had graduated from ODA recipient status: Brunei, Kuwait, Qatar, Singapore, the United Arab Emirates, Israel, Hong Kong, Cyprus, South Korea, Macao, Libya, New Caledonia, the Northern Mariana Islands. (2) Part II = Eastern Europe and ODA graduates. (3) DAC exchange rate for 2000: \$1=¥107.8 (down ¥6.01 from 1999) (4) As the figures in the table are rounded off, they do not necessarily add up to the totals. (5) EBRD= European Bank for Reconstruction and Development.

**Chart 26. Trends in Japan's ODA as a Share of Gross National Income (GNI)**



Note: The shares are of gross national product through 1998 and of GNI since 1999.

**Chart 27. Geographical Distribution of Japan's Bilateral ODA**

(Net disbursement basis; \$ million)

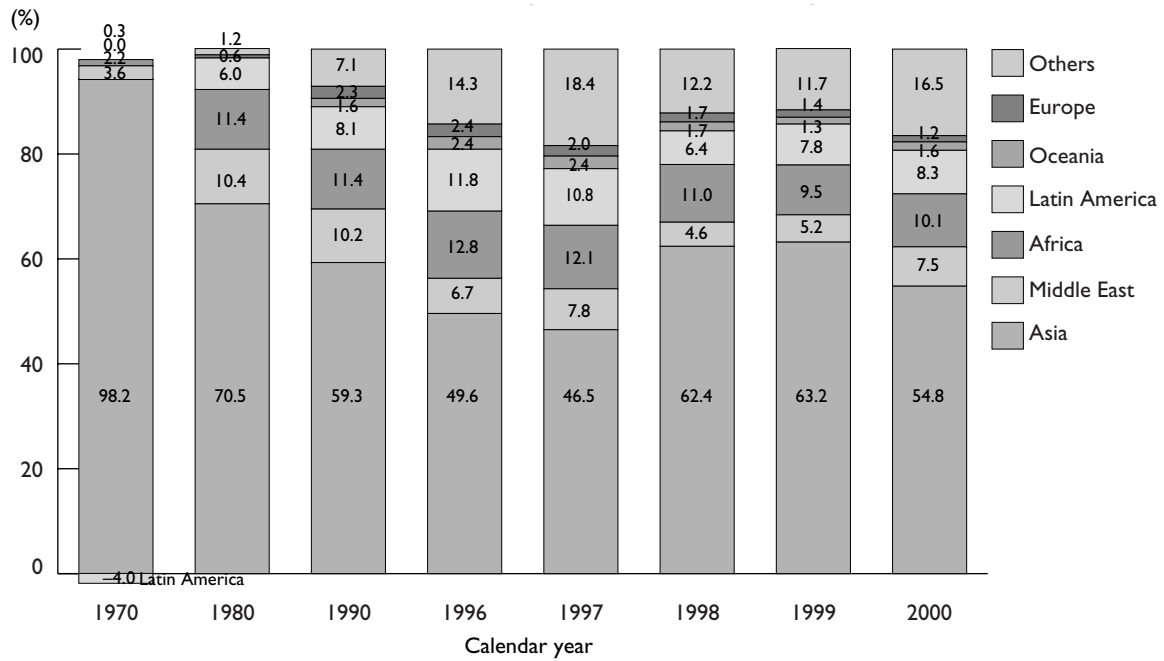
1999							
	Grant aid	Technical cooperation	Total grants	Loans	Total bilateral ODA	Share (%)	Increase over previous year (%)
Asia	882.91	1,217.75	2,100.66	4,529.92	6,630.58	63.2	23.4
Northeast Asia	102.08	492.27	594.35	687.94	1,282.29	12.2	5.9
Southeast Asia	393.91	549.14	943.04	2,977.58	3,920.62	37.3	60.8
Southwest Asia	341.24	124.71	465.94	701.77	1,167.71	11.1	-20.2
Central Asia	28.52	26.66	55.19	159.63	214.82	2.0	-5.8
Caucasus	17.16	4.33	21.50	2.99	24.49	0.2	80.4
Other regions	-	20.64	20.64	-	20.64	0.2	10.8
Middle East	274.53	132.68	407.21	136.94	544.15	5.2	38.8
Africa	693.08	221.20	914.27	80.35	994.63	9.5	4.7
Latin America	255.98	323.01	578.99	235.22	814.21	7.8	47.3
Oceania	69.72	53.56	123.29	14.95	138.23	1.3	-6.1
Europe	133.48	57.33	190.82	-39.70	151.12	1.4	5.3
(Eastern Europe)	(22.29)	(37.20)	(59.49)	(-41.97)	(17.52)	(0.2)	-63.1
Unspecified	30.11	1,193.62	1,223.74	0.89	1,224.63	11.7	16.9
<b>Total</b>	<b>2,339.82</b>	<b>3,199.16</b>	<b>5,538.97</b>	<b>4,958.58</b>	<b>10,497.56</b>	<b>100.0</b>	<b>22.0</b>

2000							
	Grant aid	Technical cooperation	Total grants	Loans	Total bilateral ODA	Share (%)	Increase over previous year (%)
Asia	792.63	1,249.93	2,042.57	3,241.25	5,283.82	54.8	-20.3
Northeast Asia	112.66	436.65	549.31	151.17	700.48	7.3	-45.4
Southeast Asia	340.31	610.74	951.05	2,204.42	3,155.47	32.7	-19.5
Southwest Asia	294.14	145.99	440.13	689.93	1,130.07	11.7	-3.2
Central Asia	24.83	23.64	48.47	167.97	216.44	2.2	0.8
Caucasus	20.13	9.05	29.18	27.76	56.94	0.6	132.5
Other regions	0.56	23.86	24.42	-	24.42	0.3	18.3
Middle East	234.05	165.85	399.90	327.56	727.46	7.5	33.7
Africa	664.89	248.72	913.62	55.37	968.98	10.1	-2.6
Latin America	298.61	341.25	639.86	159.70	799.56	8.3	-1.8
Oceania	54.52	56.57	111.08	39.98	151.06	1.6	9.3
Europe	46.35	68.30	114.65	2.92	117.57	1.2	-22.2
(Eastern Europe)	(8.71)	(38.42)	(47.13)	(1.43)	(48.56)	(0.5)	177.2
Unspecified	17.70	1,573.95	1,591.64	-	1,591.64	16.5	30.0
<b>Total</b>	<b>2,108.76</b>	<b>3,704.57</b>	<b>5,813.33</b>	<b>3,826.78</b>	<b>9,640.10</b>	<b>100.0</b>	<b>-8.2</b>

Notes: (1) Grant aid includes the reduced interest payments of guaranteed commercial credits. (2) Unspecified technical cooperation includes dispatch of survey missions, subsidies to groups supporting foreign students, administrative costs, development awareness fees, and other activities that extend over several countries. (3) As the figures in the table are rounded off, they do not necessarily add up to the totals. (4) Includes aid to Eastern Europe and ODA graduates.

**Chart 28. Trends in Japan's Bilateral ODA by Region**



Note: ODA to Europe since 1990 includes aid to Eastern Europe.

**Chart 29. Types and Geographical Distribution of Japan's Bilateral ODA in 2000**

(Net disbursement basis; \$ million)

Country/region	Grant aid	Technical cooperation	Total grants	Loans	Total bilateral ODA
Asia	792.63	1,249.93	2,042.57	3,241.25	5,283.82
Northeast Asia	112.66	436.65	549.31	151.17	700.48
China	53.05	318.96	372.01	397.18	769.19
(Hong Kong)*	–	2.64	2.64	–	2.64
Republic of Korea*	–	80.93	80.93	–264.60	–183.67
(Macao)*	–	0.15	0.15	–	0.15
Mongolia	59.61	26.31	85.92	18.59	104.51
Others	–	7.66	7.66	–	7.66
Southeast Asia	340.31	610.74	951.05	2,204.42	3,155.47
(ASEAN)	311.24	610.74	921.98	2,204.42	3,126.40
Brunei*	–	0.19	0.19	–	0.19
Cambodia	65.32	32.35	97.68	1.53	99.21
Indonesia	52.07	144.60	196.67	773.43	970.10
Laos	74.13	35.05	109.18	5.69	114.87
Malaysia	1.14	61.20	62.34	–38.40	23.94
Myanmar	17.97	22.38	40.35	11.43	51.78
Philippines	57.58	99.52	157.09	147.39	304.48
Singapore*	–	2.92	2.92	–	2.92
Thailand	1.51	121.04	122.55	512.69	635.25
Viet Nam	41.52	91.49	133.01	790.66	923.68
(East Timor)	29.07	–	29.07	–	29.07
Southwest Asia	294.14	145.99	440.13	689.93	1,130.07
Bangladesh	201.96	40.55	242.52	–40.90	201.62
Bhutan	0.86	6.32	7.18	–	7.18
India	3.47	21.38	24.85	343.31	368.16
Maldives	5.56	2.46	8.02	–	8.02
Nepal	46.69	25.50	72.19	27.74	99.93
Pakistan	1.36	13.40	14.76	265.60	280.36
Sri Lanka	34.23	35.26	69.49	94.19	163.68
Others	–	1.11	1.11	–	1.11
Central Asia	24.83	23.64	48.47	167.97	216.44
Kazakhstan	9.00	10.54	19.54	63.79	83.33
Kyrgyz	10.46	3.55	14.02	33.77	47.79
Tajikistan	0.24	1.82	2.06	–	2.06
Turkmenistan	–	0.47	0.47	0.59	1.07
Uzbekistan	5.13	7.25	12.39	69.81	82.20
Caucasus	20.13	9.05	29.18	27.76	56.94
Armenia	8.09	1.06	9.14	–	9.14
Azerbaijan	5.51	6.33	11.84	24.56	36.39
Georgia	6.53	1.67	8.20	3.20	11.40
Other regions	0.56	23.86	24.42	–	24.42
Middle East	234.05	165.85	399.90	327.56	727.46
Afghanistan	0.18	0.03	0.21	–	0.21
Algeria	–	0.94	0.94	–5.82	–4.88

Bahrain	–	1.12	1.12	–	1.12
Egypt	45.91	32.94	78.85	7.06	85.92
Iran	0.22	14.54	14.76	30.11	44.87
Iraq	–	0.03	0.03	–	0.03
Israel*	–	0.67	0.67	–	0.67
Jordan	66.49	18.48	84.97	19.68	104.65
Kuwait*	–	0.10	0.10	–	0.10
Lebanon	1.14	1.08	2.22	–	2.22
Libya*	–	0.15	0.15	–	0.15
Morocco	15.33	14.82	30.16	73.13	103.28
Oman	–	11.22	11.22	–	11.22
(Palestinian National Authority)	57.25	3.90	61.15	–	61.15
Qatar*	–	0.05	0.05	–	0.05
Saudi Arabia	–	13.88	13.88	–	13.88
Sudan	0.08	0.59	0.67	–	0.67
Syria	17.79	12.88	30.67	33.69	64.36
Turkey	0.94	19.07	20.00	124.47	144.48
Tunisia	3.30	15.85	19.15	52.97	72.12
United Arab Emirates*	–	0.11	0.11	–	0.11
Yemen	25.41	3.29	28.70	–7.73	20.97
Others	–	0.12	0.12	–	0.12
<b>Africa</b>	<b>664.89</b>	<b>248.72</b>	<b>913.62</b>	<b>55.37</b>	<b>968.98</b>
Angola	17.88	3.59	21.47	–	21.47
Benin	3.26	2.91	6.16	–	6.16
Botswana	3.56	3.35	6.92	–0.86	6.06
Burkina Faso	16.75	4.50	21.25	–	21.25
Burundi	0.16	0.08	0.24	–	0.24
Cameroon	9.43	1.89	11.31	4.49	15.81
Cape Verde	9.86	0.89	10.74	–	10.74
Central African Republic	20.94	1.81	22.75	–	22.75
Chad	–	0.21	0.21	–	0.21
Republic of Congo	–	0.07	0.07	–	0.07
Democratic Republic of Congo	0.27	0.21	0.47	–	0.47
Côte d'Ivoire	9.78	8.78	18.56	4.84	23.40
Djibouti	12.01	1.92	13.92	–	13.92
Equatorial Guinea	–	0.06	0.06	–	0.06
Eritrea	0.10	0.30	0.40	–	0.40
Ethiopia	26.18	7.85	34.03	–	34.03
Gabonese Republic	0.30	0.69	0.99	–2.49	–1.50
Gambia	2.67	0.61	3.28	–	3.28
Ghana	27.18	22.05	49.23	53.67	102.91
Guinea	20.59	3.01	23.59	–4.46	19.13
Guinea–Bissau	–	0.00	0.00	–	0.00
Kenya	13.11	31.85	44.96	21.89	66.86
Lesotho	0.30	0.57	0.87	–	0.87
Liberia	–	0.02	0.02	–	0.02
Madagascar	17.58	10.05	27.63	–1.32	26.31
Malawi	33.02	15.44	48.46	–9.93	38.53
Mali	24.94	9.42	34.35	–2.18	32.18
Mauritania	29.01	2.97	31.98	–2.04	29.94
Mauritius	0.51	2.26	2.77	–0.64	2.13



Mozambique	11.70	9.29	20.99	-1.03	19.95
Namibia	1.64	3.78	5.43	-	5.43
Niger	14.27	7.43	21.70	-6.68	15.03
Nigeria	0.26	2.37	2.63	-	2.63
Rwanda	0.75	0.33	1.08	2.28	3.35
São Tomé and Príncipe	1.11	0.12	1.23	-	1.23
Senegal	38.14	13.45	51.60	-3.10	48.49
Seychelles	-	0.64	0.64	-	0.64
Sierra Leone	-	0.02	0.02	-	0.02
Somalia	-	0.00	0.00	-	0.00
South Africa	13.04	6.75	19.79	-	19.79
Swaziland	3.35	2.65	5.99	-	5.99
Tanzania	203.16	26.65	229.82	-12.68	217.14
Togo	8.26	0.24	8.50	-	8.50
Uganda	16.00	6.37	22.37	-	22.37
Zambia	23.75	14.36	38.11	-6.18	31.93
Zimbabwe	30.08	10.51	40.59	21.78	62.37
Others	-	6.40	6.40	-	6.40
Latin America	298.61	341.25	639.86	159.70	799.56
Antigua and Barbuda	-	0.48	0.48	-	0.48
Barbados	-	0.29	0.29	-	0.29
Belize	0.38	0.29	0.67	-	0.67
Costa Rica	0.50	5.77	6.27	-12.55	-6.28
Cuba	0.51	1.49	2.00	-	2.00
Commonwealth of Dominica	2.61	1.02	3.63	-	3.63
Dominican Republic	22.00	11.25	33.24	-3.65	29.59
El Salvador	17.08	12.04	29.12	37.76	66.88
Grenada	6.01	0.46	6.47	-	6.47
Guatemala	30.72	13.31	44.03	23.01	67.05
Haiti	12.55	0.91	13.46	-	13.46
Honduras	38.55	11.59	50.14	-	50.14
Jamaica	0.34	6.22	6.56	-18.79	-12.23
Mexico	1.14	32.46	33.60	-126.18	-92.58
Nicaragua	62.42	10.31	72.73	3.74	76.47
Panama	1.29	8.21	9.51	-6.49	3.01
St. Christopher and Nevis	-	0.35	0.35	-	0.35
St. Lucia	5.76	1.67	7.43	-	7.43
St. Vincent and the Grenadines	2.01	0.47	2.48	-	2.48
Trinidad and Tobago	0.04	1.78	1.82	-	1.82
Argentina	-	21.10	21.10	16.20	37.29
Bolivia	29.64	19.96	49.60	-5.87	43.73
Brazil	1.76	60.48	62.24	107.37	169.61
Chile	0.67	20.39	21.06	0.29	21.35
Colombia	2.18	12.54	14.71	-6.66	8.05
Ecuador	12.80	6.91	19.71	0.42	20.13
Guyana	0.17	0.44	0.61	-	0.61
Paraguay	11.74	33.10	44.84	6.67	51.51
Peru	26.13	18.62	44.75	146.94	191.68
Suriname	8.94	0.76	9.70	-	9.70
Uruguay	0.33	7.28	7.60	-1.80	5.81
Venezuela	0.34	4.92	5.26	-0.69	4.57

(Montserrat)	–	0.07	0.07	–	0.07
Others	–	14.32	14.32	–	14.32
Oceania	54.52	56.57	111.08	39.98	151.06
(Cook Islands)	–	0.32	0.32	–	0.32
Fiji	6.18	7.39	13.57	1.50	15.07
Kiribati	5.76	1.94	7.70	–	7.70
Marshall Islands	0.40	2.71	3.11	–	3.11
Micronesia	5.84	4.36	10.20	–0.05	10.15
Northern Mariana Islands	–	0.01	0.01	–	0.01
Nauru	2.02	0.23	2.25	–	2.25
(New Caledonia)*	–	0.00	0.00	–	0.00
(Niue)	–	0.09	0.09	–	0.09
Papua New Guinea	4.19	9.98	14.17	41.65	55.82
Palau	20.24	3.84	24.08	–	24.08
Solomon Islands	1.00	4.16	5.16	–3.01	2.15
Tonga	3.37	3.47	6.84	–	6.84
Tuvalu	0.09	0.62	0.71	–	0.71
Vanuatu	4.59	1.90	6.48	–0.10	6.38
Samoa	0.83	4.48	5.31	–	5.31
Others	–	11.08	11.08	–	11.08
Europe	46.35	68.30	114.65	2.92	117.57
Albania	4.20	1.13	5.33	1.76	7.09
Cyprus*	–	0.08	0.08	–	0.08
Malta	–	0.42	0.42	–	0.42
Moldova	1.42	1.21	2.63	–	2.63
(Former Yugoslavia)	32.02	9.83	41.86	–0.28	41.58
Bosnia and Herzegovina	19.73	4.63	24.36	–	24.36
Croatia	0.13	1.88	2.01	–0.28	1.73
Macedonia	6.43	1.49	7.92	–	7.92
Serbia-Montenegro	4.73	0.02	4.75	–	4.75
Slovenia	–	0.60	0.60	–	0.60
Others	1.01	1.20	2.22	–	2.22
Others	–	17.21	17.21	–	17.21
Eastern Europe (6 countries)	8.71	38.42	47.13	1.43	48.56
Bulgaria	1.24	10.79	12.03	8.70	20.73
Czech Republic	0.46	1.37	1.84	–	1.84
Hungary	–	6.60	6.60	–	6.60
Poland	0.38	6.91	7.29	–10.73	–3.43
Romania	5.82	10.21	16.03	3.46	19.50
Slovak Republic	0.80	2.25	3.04	–	3.04
Others	–	0.29	0.29	–	0.29
Unspecified	17.70	1,573.95	1,591.64	–	1,591.64
Total	2,108.76	3,704.57	5,813.33	3,826.78	9,640.10

Notes: (1) Asterisk (\*) indicates graduation from ODA recipient status. (2) Unspecified technical cooperation includes dispatch of survey missions, subsidies to groups supporting foreign students, administrative costs, development awareness fees, and other activities that extend over several countries. (3) As the figures in the table are rounded off, they do not necessarily add up to the totals. (4) Based on the regional classification of the Ministry of Foreign Affairs. Parentheses indicate territory.

**Chart 30. Major Recipient Countries of Japan's Bilateral ODA**

(Net disbursement basis; \$ million)

Rank	1998			1999			2000		
	Country	Amount	Share (%)	Country	Amount	Share (%)	Country	Amount	Share (%)
1	China	1,158.16	13.46	Indonesia	1,605.83	15.30	Indonesia	970.10	10.06
2	Indonesia	828.47	9.63	China	1,225.97	11.68	Viet Nam	923.68	9.58
3	Thailand	558.42	6.49	Thailand	880.26	8.39	China	769.19	7.98
4	India	504.95	5.87	Viet Nam	679.98	6.48	Thailand	635.25	6.59
5	Pakistan	491.54	5.71	India	634.02	6.04	India	368.16	3.82
6	Viet Nam	388.61	4.52	Philippines	412.98	3.93	Philippines	304.48	3.16
7	Philippines	297.55	3.46	Peru	189.12	1.80	Pakistan	280.36	2.91
8	Sri Lanka	197.85	2.30	Pakistan	169.74	1.62	Tanzania	217.14	2.25
9	Bangladesh	189.05	2.20	Brazil	149.36	1.42	Bangladesh	201.62	2.09
10	Malaysia	179.10	2.08	Syria	136.17	1.30	Peru	191.68	1.99
	Top 10 total	4,793.70	55.70	Top 10 total	6,083.45	57.95	Top 10 total	4,861.64	50.43
	Bilateral ODA total	8,605.90	100.00	Bilateral ODA total	10,497.56	100.00	Bilateral ODA total	9,640.10	100.00

Notes: (1) "Bilateral ODA total" includes aid to Eastern Europe and ODA graduates. (2) As the figures in the table are rounded off, they do not necessarily add up to the totals.

**Chart 31. Major Recipients of Japan's Bilateral ODA by Aid Type (2000)**

(Net disbursement basis; \$ million)

Grant aid				Technical cooperation			
Rank	Country/territory	Amount	Share (%)	Rank	Country/territory	Amount	Share (%)
1	Tanzania	203.16	9.63	1	China	318.96	8.61
2	Bangladesh	201.96	9.58	2	Indonesia	144.60	3.90
3	Laos	74.13	3.52	3	Thailand	121.04	3.27
4	Jordan	66.49	3.15	4	Philippines	99.52	2.69
5	Cambodia	65.32	3.10	5	Viet Nam	91.49	2.47
6	Nicaragua	62.42	2.96	6	Republic of Korea	80.93	2.18
7	Mongolia	59.61	2.83	7	Malaysia	61.20	1.65
8	Philippines	57.58	2.73	8	Brazil	60.48	1.63
9	Palestinian Adminis- tered Areas	57.25	2.72	9	Bangladesh	40.55	1.09
10	China	53.05	2.52	10	Sri Lanka	35.26	0.95
Top 10 total		900.99	42.73	Top 10 total		1,054.03	28.45
11	Indonesia	52.07	2.47	11	Laos	35.05	0.95
12	Nepal	46.69	2.21	12	Paraguay	33.10	0.89
13	Egypt	45.91	2.18	13	Egypt	32.94	0.89
14	Viet Nam	41.52	1.97	14	Mexico	32.46	0.88
15	Honduras	38.55	1.83	15	Cambodia	32.35	0.87
16	Senegal	38.14	1.81	16	Kenya	31.85	0.86
17	Sri Lanka	34.23	1.62	17	Tanzania	26.65	0.72
18	Malawi	33.02	1.57	18	Mongolia	26.31	0.71
19	Guatemala	30.72	1.46	19	Nepal	25.50	0.69
20	Zimbabwe	30.08	1.43	20	Myanmar	22.38	0.60
Top 20 total		1,291.93	61.26	Top 20 total		1,352.63	36.51
21	Bolivia	29.64	1.41	21	Ghana	22.05	0.60
22	East Timor	29.07	1.38	22	India	21.38	0.58
23	Mauritania	29.01	1.38	23	Argentina	21.10	0.57
24	Ghana	27.18	1.29	24	Chile	20.39	0.55
25	Ethiopia	26.18	1.24	25	Bolivia	19.96	0.54
26	Peru	26.13	1.24	26	Turkey	19.07	0.51
27	Yemen	25.41	1.21	27	Peru	18.62	0.50
28	Mali	24.94	1.18	28	Jordan	18.48	0.50
29	Zambia	23.75	1.13	29	Tunisia	15.85	0.43
30	Dominican Republic	22.00	1.04	30	Malawi	15.44	0.42
Top 30 total		1,555.22	73.75	Top 30 total		1,544.97	41.70
Grant aid total		2,108.76	100.00	Technical cooperation total		3,704.57	100.00

(Net disbursement basis; \$ million)

Loans				Bilateral ODA			
Rank	Country/territory	Amount	Share (%)	Rank	Country/territory	Amount	Share (%)
1	Viet Nam	790.66	20.66	1	Indonesia	970.10	10.06
2	Indonesia	773.43	20.21	2	Viet Nam	923.68	9.58
3	Thailand	512.69	13.40	3	China	769.19	7.98
4	China	397.18	10.38	4	Thailand	635.25	6.59
5	India	343.31	8.97	5	India	368.16	3.82
6	Pakistan	265.60	6.94	6	Philippines	304.48	3.16
7	Philippines	147.39	3.85	7	Pakistan	280.36	2.91
8	Peru	146.94	3.84	8	Tanzania	217.14	2.25
9	Turkey	124.47	3.25	9	Bangladesh	201.62	2.09
10	Brazil	107.37	2.81	10	Peru	191.68	1.99
	Top 10 total	3,609.03	94.31		Top 10 total	4,861.64	50.43
11	Sri Lanka	94.19	2.46	11	Brazil	169.61	1.76
12	Morocco	73.13	1.91	12	Sri Lanka	163.68	1.70
13	Uzbekistan	69.81	1.82	13	Turkey	144.48	1.50
14	Kazakhstan	63.79	1.67	14	Laos	114.87	1.19
15	Ghana	53.67	1.40	15	Jordan	104.65	1.09
16	Tunisia	52.97	1.38	16	Mongolia	104.51	1.08
17	Papua New Guinea	41.65	1.09	17	Morocco	103.28	1.07
18	El Salvador	37.76	0.99	18	Ghana	102.91	1.07
19	Kyrgyz	33.77	0.88	19	Nepal	99.93	1.04
20	Syria	33.69	0.88	20	Cambodia	99.21	1.03
	Top 20 total	4,163.46	108.80		Top 20 total	6,068.76	62.95
21	Iran	30.11	0.79	21	Egypt	85.92	0.89
22	Nepal	27.74	0.72	22	Kazakhstan	83.33	0.86
23	Azerbaijan	24.56	0.64	23	Uzbekistan	82.20	0.85
24	Guatemala	23.01	0.60	24	Nicaragua	76.47	0.79
25	Kenya	21.89	0.57	25	Tunisia	72.12	0.75
26	Zimbabwe	21.78	0.57	26	Guatemala	67.05	0.70
27	Jordan	19.68	0.51	27	El Salvador	66.88	0.69
28	Mongolia	18.59	0.49	28	Kenya	66.86	0.69
29	Argentina	16.20	0.42	29	Syria	64.36	0.67
30	Myanmar	11.43	0.30	30	Zimbabwe	62.37	0.65
	Top 30 total	4,378.45	114.42		Top 30 total	6,796.32	70.50
	Loan total	3,826.78	100.00		Bilateral ODA total	9,640.10	100.00

Note: (1) Totals include aid to Eastern Europe and ODA graduates. (2) As the figures in the table are rounded off, they do not necessarily add up to the totals.

Chart 32. List of Countries to Which Japan Is the Top Donor

(Net disbursement basis; \$ million)														
1995			1996			1997			1998			1999		
Country	Amount	Share (%)	Country	Amount	Share (%)	Country	Amount	Share (%)	Country	Amount	Share (%)	Country	Amount	Share (%)
Argentina	41.7	37.9	Bahrain	1.1	64.7	Argentina	22.8	40.1	Antigua and Barbuda	4.0	80.6	Antigua and Barbuda	7.1	86.8
Bahrain	1.3	72.2	Bangladesh	174.0	27.0	Bahrain	1.1	68.8	Argentina	18.9	65.3	Argentina	37.0	NA
Bangladesh	254.9	35.8	Benin	44.7	27.1	Bangladesh	130.0	24.1	Bahrain	0.6	53.6	Bangladesh	123.7	20.4
Bhutan	21.9	39.7	Bhutan	11.6	27.6	Benin	16.2	36.0	Bhutan	189.1	30.3	Bhutan	17.8	33.6
Bolivia	93.3	19.6	Botswana	18.0	26.5	Botswana	9.8	17.6	Benin	33.0	22.9	Botswana	13.9	33.7
Brazil	100.5	49.4	Brazil	65.5	34.3	Botswana	61.8	32.0	Benin	34.0	46.5	Brazil	149.4	NA
Brunei	4.1	97.6	Cambodia	71.3	28.2	Cambodia	61.6	27.3	Brazil	104.6	47.8	Brazil	50.9	30.4
Cambodia	152.0	44.6	Chile	52.9	29.0	Chile	43.2	38.2	Cambodia	1.1	35.3	Cambodia	226.0	67.3
Chile	62.8	44.2	China	861.7	51.6	China	576.9	47.0	Chile	1.1	66.9	China	1.2	58.3
China	1,380.2	54.5	Colombia	36.6	22.9	China	17.3	55.3	China	49.4	31.8	Dominican Republic	25.3	19.7
Colombia	34.6	21.6	Dominican Republic	20.0	34.9	Ecuador	25.6	18.3	Ecuador	40.7	26.4	Ecuador	53.0	30.5
Dominican Republic	7.5	78.9	Ecuador	18.6	45.7	Ecuador	16.9	43.2	El Salvador	19.2	53.7	El Salvador	20.9	55.2
Dominica	56.6	69.7	Fiji	3.3	56.9	Ghana	70.2	24.0	Fiji	149.0	39.8	Ghana	101.8	28.6
Dominica	37.0	23.4	Ghana	44.6	31.6	Grenada	2.7	71.1	Grenada	36.5	20.1	Grenada	1.5	62.1
Dominica	13.9	35.7	Guatemala	63.8	41.1	Guatemala	49.8	23.5	Guatemala	505.0	55.2	Guatemala	67.4	29.2
Dominica	122.1	34.1	Honduras	63.8	41.1	Honduras	42.0	27.1	India	828.5	66.6	India	634.0	75.6
Dominica	3.4	60.7	India	579.3	56.5	India	491.8	53.0	Indonesia	828.5	66.6	Indonesia	1,605.8	74.0
Dominica	74.8	23.0	Indonesia	965.5	90.9	Indonesia	496.9	62.9	Indonesia	1.1	94.4	Indonesia	57.5	50.5
Dominica	506.4	48.2	Jamaica	12.4	NA	Iran	70.3	42.6	Jamaica	95.2	53.9	Jamaica	58.6	23.1
Dominica	892.4	68.5	Jordan	123.7	38.1	Jamaica	135.5	NA	Jordan	85	52.8	Kiribati	12.1	61.6
Dominica	184.2	47.0	Jordan	92.8	26.8	Jordan	139.6	48.5	Laos	85.6	51.6	Kiribati	62.5	54.1
Dominica	198.4	43.3	Kyrgyz	44.3	44.6	Kazakhstan	43.1	46.0	Laos	10.6	33.1	Kyrgyz	132.5	63.0
Dominica	4.2	36.8	Laos	57.4	38.9	Kenya	68.8	22.9	Laos	179.1	90.4	Laos	122.6	67.5
Dominica	45.8	47.3	Maldives	10.1	61.2	Kiribati	6.7	47.2	Malaysia	94.0	66.5	Malaysia	19.2	75.4
Dominica	97.6	57.4	Mexico	212.8	77.6	Kyrgyz	18.1	35.9	Mongolia	16.1	58.7	Mauritania	32.6	36.8
Dominica	64.8	60.7	Mongolia	103.8	76.2	Laos	78.6	47.7	Nepal	491.5	91.9	Mongolia	94.0	68.0
Dominica	18.6	61.2	Myanmar	35.2	77.7	Macedonia	10.0	33.1	Pakistan	21.0	37.7	Myanmar	34.2	76.5
Dominica	288.3	79.0	Nepal	88.8	37.6	Malawi	35.1	20.2	Paraguay	297.6	56.4	Nepal	4.5	68.5
Dominica	99.9	78.7	Oman	9.9	63.5	Maldives	11.9	70.4	Philippines	2.0	37.7	Nauru	4.5	32.0
Dominica	114.2	90.5	Pakistan	282.2	83.3	Mauritania	35.5	37.2	Saint Lucia	4.5	49.9	Nepal	65.6	32.0
Dominica	127.6	48.0	Panama	37.7	78.7	Mexico	41.4	46.7	Saint Lucia	14.8	49.9	Oman	9.0	NA
Dominica	9.5	79.8	Paraguay	41.2	65.8	Mongolia	78.0	66.0	Saudi Arabia	9.2	62.4	Pakistan	169.7	72.2
Dominica	241.0	66.9	Peru	56.4	20.3	Myanmar	14.8	62.7	Saudi Arabia	10.1	42.6	Paraguay	32.8	50.0
Dominica	15.1	45.2	Philippines	414.5	55.4	Nepal	86.1	36.9	Sri Lanka	197.9	70.1	Peru	189.1	46.4
Dominica	77.6	73.3	Saint Vincent	3.4	72.3	Nicaragua	49.0	19.0	Sri Lanka	50.0	60.0	Philippines	413.0	67.0
Dominica	416.1	55.6	Saudi Arabia	7.9	78.6	Pakistan	92.2	26.1	Syria	584.4	62.6	Saint Vincent	10.2	NA
Dominica	64.2	NA	Solomon Islands	18.2	54.3	Panama	42.6	99.8	Thailand	1.5	NA	Saint Vincent	5.2	86.2
Dominica	8.3	57.2	Syria	173.9	62.3	Paraguay	31.4	44.8	Trinidad and Tobago	4.4	53.1	Samoa	8.6	38.3
Dominica	5.5	50.0	Tanzania	105.7	17.5	Philippines	319.0	56.2	Turkmenistan	103.0	83.3	Saudi Arabia	13.9	72.7
Dominica	13.5	97.1	Thailand	664.0	82.7	Saint Vincent	4.4	81.5	Uzbekistan	388.6	54.5	Sri Lanka	136.2	79.0
Dominica	17.1	46.8	Tonga	11.5	43.1	Samoa	10.1	37.8	Yemen	62.4	37.4	Syria	880.3	88.5
Dominica	263.7	70.5	Trinidad and Tobago	1.8	NA	Solomon Islands	21.0	58.2	Yemen	62.4	37.4	Thailand	81.6	72.4
Dominica	122.3	21.2	Tuvalu	4.6	50.0	Swaziland	9.3	57.1	Yemen	62.4	37.4	Trinidad and Tobago	2.3	NA
Dominica	124.3	77.0	Viet Nam	120.9	25.8	Thailand	66.3	71.3	Yemen	62.4	37.4	Uzbekistan	81.6	72.4
Dominica	667.4	80.7	Western Samoa	14.3	46.3	Tonga	468.3	77.9	Zimbabwe	38.7	17.4	Viet Nam	680.0	66.8
Dominica	14.4	50.0	Zimbabwe	46.7	16.6	Tuvalu	8.0	35.7	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	1.3	NA	Trinidad and Tobago	2.0	NA	Tanzania	20	NA	Trinidad and Tobago	2.0	NA	Zimbabwe	78.0	35.6
Dominica	2.5	52.1	Tuvalu	0.8	36.4	Turkmenistan	0.8	36.4	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	12.8	32.3	U.A. Emirates	6.7	71.3	Tuvalu	6.7	71.3	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	170.2	31.0	Uruguay	11.6	39.3	Tuvalu	6.7	71.3	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	14.6	46.6	Uzbekistan	83.2	75.0	Uruguay	83.2	75.0	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	78.5	17.9	Venezuela	5.7	NA	Venezuela	5.7	NA	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	65.6	18.9	Viet Nam	232.5	39.7	Viet Nam	232.5	39.7	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6
Dominica	65.6	18.9	Zimbabwe	38.7	17.4	Zimbabwe	38.7	17.4	Zimbabwe	38.7	17.4	Zimbabwe	78.0	35.6

Source: DAC, Geographical Distribution, 2000.

Notes: (1) Excludes territories such as Macao and Hong Kong. (2) NA means the share cannot be calculated because the total aid of DAC countries to the given country is negligible. (3) Excludes aid to Eastern Europe and ODA graduates. Reference: Japan was the second largest donor to the following 36 countries in 1999: Yemen, Iran, Vanuatu, Venezuela, Uruguay, Ethiopia, Comoros, Colombia, Djibouti, Jordan, Swaziland, Seychelles, Senegal, Solomon Islands, Chile, Turkmenistan, Tonga, Nicaragua, Panama, Papua New Guinea, Palau, Barbados, Belize, Honduras, Marshall Islands, Madagascar, Malawi, Micronesia, Mauritius, Mozambique, Moldova, Morocco, Côte d'Ivoire, Central African Republic.

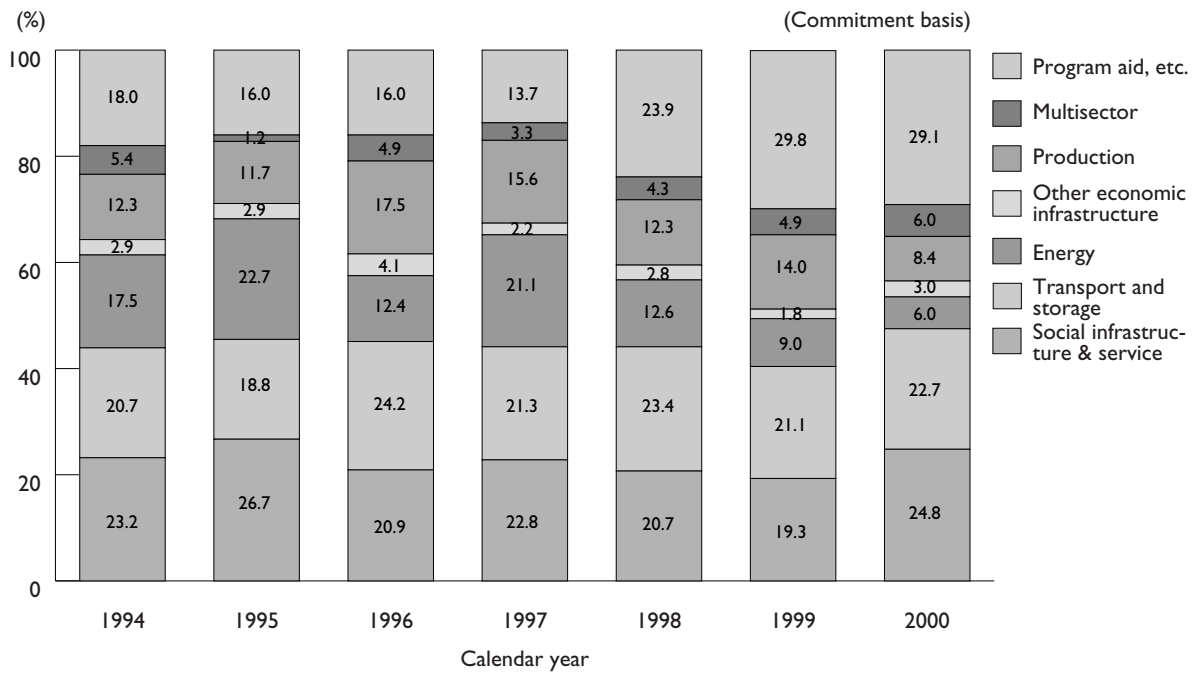
### Chart 33. Sectoral Distribution of Bilateral ODA (2000)

(Including aid to Eastern Europe and ODA graduates; commitment basis; \$ million)

Sector of destination	Grant aid	Technical cooperation	Total grants	Loans	Total	(% of total bilateral ODA)
1. Social infrastructure and services	414.02	1,305.42	1,719.44	1,755.86	3,475.30	(24.8)
(1) Education	135.84	753.37	889.22		889.22	(6.4)
(2) Health	136.96	170.99	307.95		307.95	(2.2)
(3) Population and reproductive health	6.94	20.55	27.49		27.49	(0.2)
(4) Water supply and sanitation	100.63	81.71	182.34	1,700.29	1,882.62	(13.5)
(5) Public administration and civil society	3.06	128.27	131.33	55.58	186.91	(1.3)
(6) Other social infrastructure and services	30.58	150.52	181.10		181.10	(1.3)
2. Economic infrastructure and services	377.97	257.89	635.86	3,802.24	4,438.10	(31.7)
(1) Transport and storage	341.86	94.23	436.10	2,741.11	3,177.21	(22.7)
(2) Communications	14.42	26.27	40.68	278.91	319.60	(2.3)
(3) Energy	21.69	38.99	60.68	782.21	842.89	(6.0)
(4) Banking and financial services		15.68	15.68		15.68	(0.1)
(5) Commerce and other services		82.72	82.72		82.72	(0.6)
3. Production sectors	320.35	617.97	938.32	239.17	1,177.49	(8.4)
(1) Agriculture, forestry, and fisheries	320.35	339.65	660.00	208.65	868.65	(6.2)
a) Agriculture	220.84		220.84	170.80	391.64	(2.8)
b) Forestry	11.11		11.11	37.85	48.96	(0.3)
c) Fisheries	88.40		88.40		88.40	(0.6)
(2) Industry, mining, and construction	0.00	238.33	238.33	30.52	268.85	(1.9)
a) Industry			0.00	30.52	30.52	(0.2)
b) Mining			0.00		0.00	(0.0)
c) Construction			0.00		0.00	(0.0)
(3) Trade and tourism	0.00	39.99	39.99	0.00	39.99	(0.3)
a) Trade			0.00		0.00	(0.0)
b) Tourism			0.00		0.00	(0.0)
4. Multisector assistance	20.99	95.94	116.94	719.25	836.18	(6.0)
(1) General environmental protection	20.99	70.03	91.02	604.39	695.41	(5.0)
(2) Women in development		0.34	0.34		0.34	(0.0)
(3) Other multisector		25.57	25.57	114.86	140.43	(1.0)
Subtotal (1–4)	1,133.33	2,277.22	3,410.55	6,516.51	9,927.07	(70.9)
5. Commodity aid, general program assistance	50.93	0.00	50.93	716.86	767.79	(5.5)
(1) Structural adjustment assistance with World Bank/IMF			0.00	49.63	49.63	(0.4)
(2) Food aid designed to promote development	50.93		50.93		50.93	(0.4)
(3) Other general program assistance			0.00	667.24	667.24	(4.8)
6. Debt relief	371.88		371.88	1,075.54	1,447.42	(10.3)
7. Emergency assistance	70.83	6.98	77.80		77.80	(0.6)
8. Administrative and similar costs	247.08	1,513.76	1,760.84	11.99	1,772.83	(12.7)
(1) Administrative costs of donors		935.54	935.54		935.54	(6.7)
(2) Unspecified	247.08	578.22	825.29	11.99	837.29	(6.0)
Total	1,874.04	3,797.96	5,672.00	8,320.91	13,992.91	(100.0)
BHN (1 + 3 (1) + 5 (2) + 7)	856.12	1,652.04	2,508.16	1,964.51	4,472.67	(32.0)

Notes: (1) Grants to aid structural adjustment efforts (nonproject grants), as well as grant assistance for grassroots projects and expenses for refugee assistance, are classified as “unspecified” grant aid. (2) Administrative costs of donors include costs for development awareness. (3) As the figures in the table are rounded off, they do not necessarily add up to the totals.

**Chart 34. Trends in Japanese Bilateral ODA Shares by Sector**



Notes: (1) Program aid includes debt relief, food aid, emergency assistance, and administrative costs. (2) Includes aid to Eastern Europe and ODA graduates.



**Chart 35. Flows from Japan to Developing Countries (1999 and 2000)**

(Net disbursement basis; \$ million)			
Category	1999	2000	Increase rate (%)
I. ODA	15,385	13,419	-12.8
(% of GNI)	(0.35)	(0.28)	-
1. Bilateral aid	10,498	9,640	-8.2
(1) Grants	5,539	5,813	5.0
a. Grant aid	2,340	2,109	-9.9
b. Technical cooperation	3,199	3,705	15.8
(2) Loans	4,959	3,827	-22.8
2. Contributions to multilateral institutions	4,888	3,779	-22.7
II. Other official flows	7,718	-4,855	-
1. Export credits (over 1 year)	-755	-1,552	-
2. Direct investment and others	7,242	-3,052	-
3. Contributions to multilateral institutions	1,231	-252	-
III. Private flows	-3,070	6,259	-
1. Export credits (over 1 year)	-2,292	-358	-
2. Direct investment	7,882	6,191	-21.5
3. Other bilateral securities and claims	-4,546	478	-
4. Contributions to multilateral institutions	-4,114	-52	-
IV. Grants by private voluntary agencies	261	231	-11.4
Total official and private flows	20,294	15,053	-25.8
(% of GNI)	(0.45)	(0.31)	-
Gross national income	45,559	48,076	5.5

Notes: (1) Grant aid includes the reduced or waived interest payments (trade insurance) of guaranteed commercial credits. (2) DAC exchange rates were ¥113.9 per \$1 in 1999 and ¥107.8 per \$1 in 2000. As the figures in the table are rounded off, they do not necessarily add up to the totals. (3) Shares are of gross national product through 1998 and of gross national income since 1999. (4) GNI figures are final for 1999, preliminary for 2000. (5) Includes flows to Eastern Europe and ODA graduates.

Disbursements when administrative costs, subsidies to NGOs, and costs for development awareness are excluded from technical cooperation are as follows:

(Excludes flows to Eastern Europe and ODA graduates; as reported to DAC; \$ million)			
	1999	2000	Increase rate (%)
Grants	5,475.0	5,678.2	3.7
Of which technical cooperation	2,136.2	2,430.2	13.8

**Chart 36. ODA Extended by DAC Countries (1999 and 2000)**

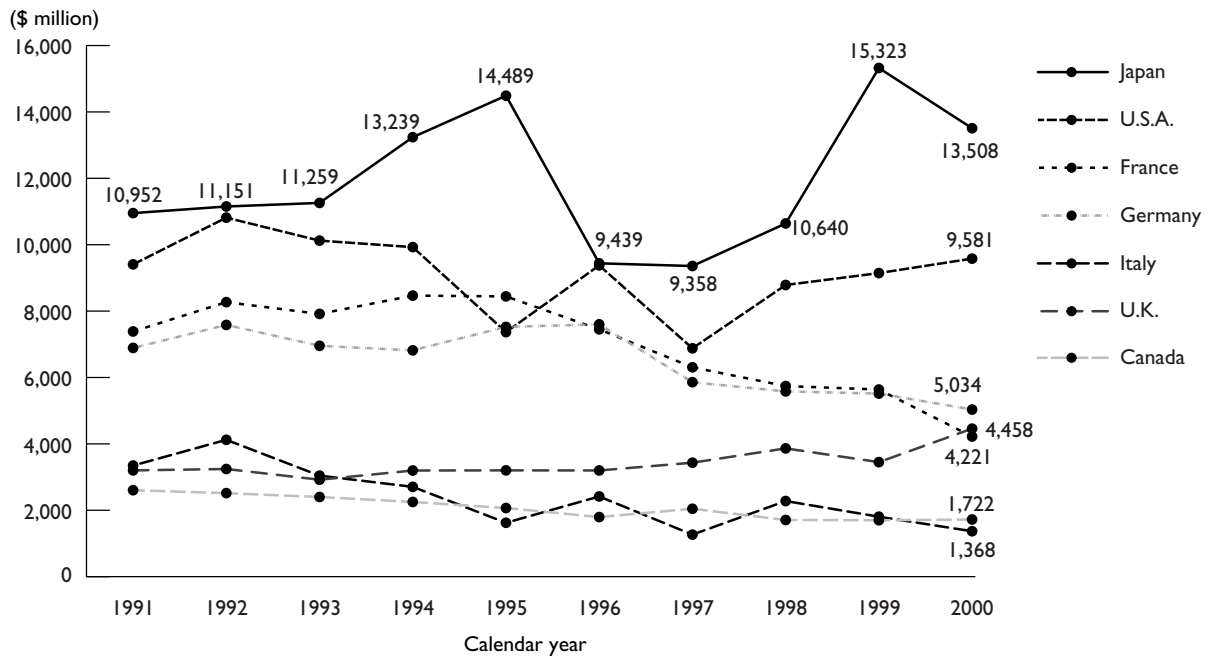
(Net disbursement basis; \$ million)

Country	2000				1999			
	Rank	Amount	Share (%)	Increase over previous year	Rank	Amount	Share (%)	Increase over previous year
Japan	1	13,508	25.2	-11.8	1	15,323	27.2	44.0
U.S.A.	2	9,581	17.9	4.8	2	9,145	16.2	4.1
Germany	3	5,034	9.4	-8.7	4	5,515	9.8	-1.2
U.K.	4	4,458	8.3	31.1	5	3,401	6.0	-12.0
France	5	4,221	7.9	-25.1	3	5,637	10.0	-1.8
Netherlands	6	3,075	5.7	-1.9	6	3,134	5.6	3.0
Sweden	7	1,813	3.4	11.2	10	1,630	2.9	3.6
Canada	8	1,722	3.2	1.4	9	1,699	3.0	-0.5
Denmark	9	1,664	3.1	-4.0	8	1,733	3.1	1.7
Italy	10	1,368	2.6	-24.3	7	1,806	3.2	-20.7
Spain	11	1,321	2.5	-3.1	12	1,363	2.4	-0.9
Norway	12	1,264	2.4	-7.7	11	1,370	2.4	3.7
Australia	13	995	1.9	1.3	13	982	1.7	2.3
Switzerland	14	888	1.7	-8.4	14	969	1.7	7.9
Belgium	15	812	1.5	6.8	15	760	1.3	-13.9
Austria	16	461	0.9	-12.5	16	527	0.9	15.6
Finland	17	371	0.7	-10.8	17	416	0.7	5.1
Portugal	18	261	0.5	-5.4	18	276	0.5	6.6
Ireland	19	239	0.4	-2.4	19	245	0.4	23.1
Greece	20	216	0.4	11.3	20	194	0.3	8.4
Luxembourg	21	116	0.2	-2.5	22	119	0.2	6.3
New Zealand	21	116	0.2	-13.4	21	134	0.2	3.1
DAC total		53,504	100.0	-5.1		56,378	100.0	8.2

Source: DAC press release, 2001.

Notes: (1) Countries are ranked according to their total ODA disbursements. (2) Excludes aid to Eastern Europe and ODA graduates. (3) Figures for 2000 are provisional except for Japan. Figures for 1999 are taken from the *DAC Journal Development Cooperation 2000 Report*. The report makes the following corrections for 1999: France 5,639, U.K. 3,426, Canada 1,706, and DAC total 56,428. (4) Greece joined DAC in December 1999.

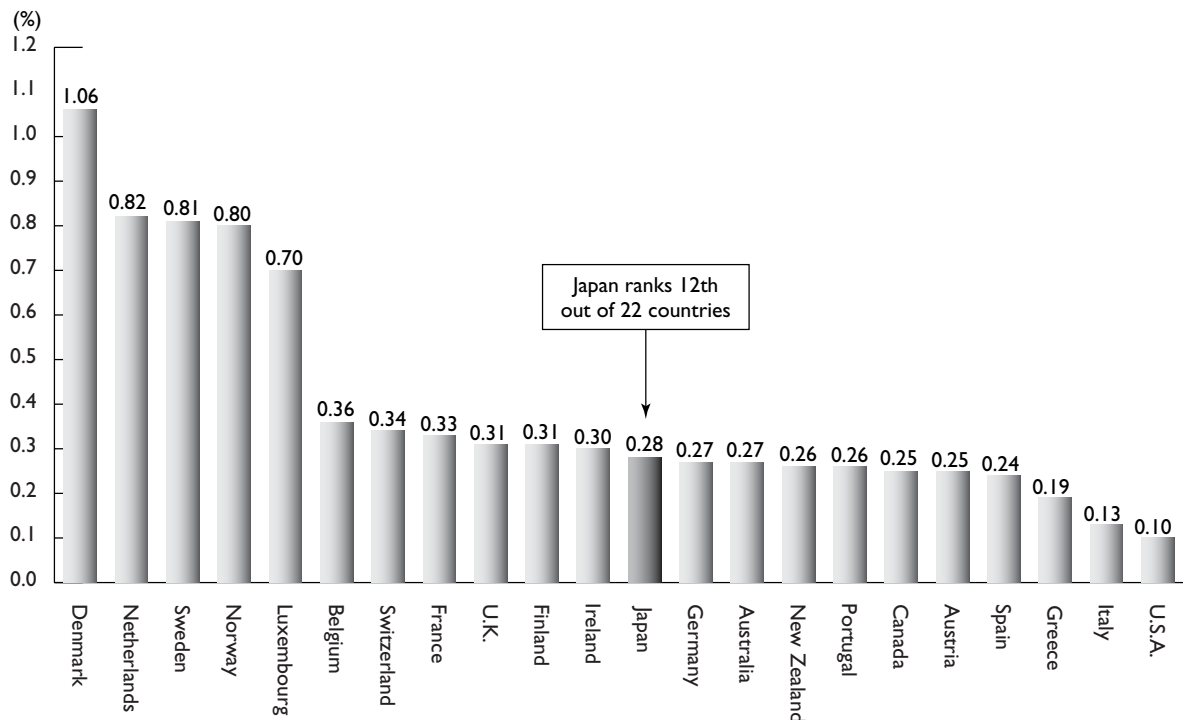
**Chart 37. Trends in Major DAC Countries' ODA (Net disbursement basis)**



Source: DAC press release, 2001.

Notes: (1) Excludes aid to Eastern Europe and ODA graduates. (2) Figures for 2000 countries except Japan are provisional. (3) U.S. figures for 1991–1992 exclude military debt relief.

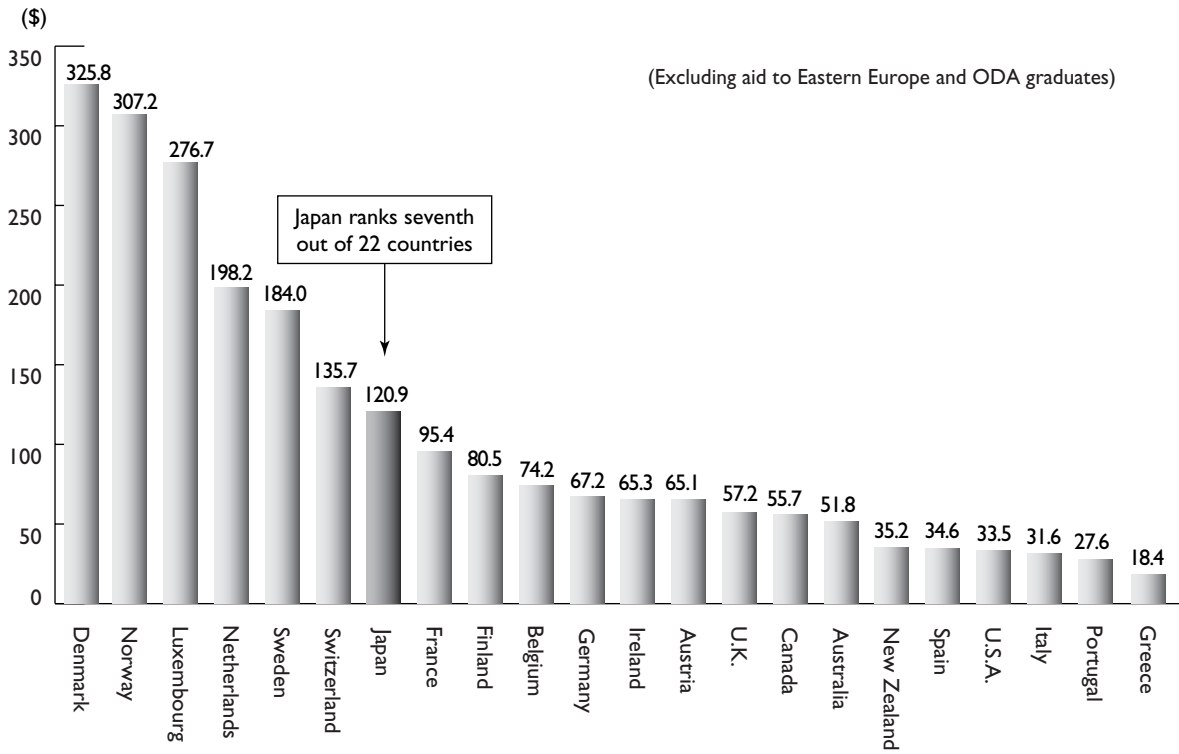
**Chart 38. ODA/GNI Ratios of DAC Member Countries (2000)**



Source: DAC press release, 2001.

Notes: (1) Figures for countries except Japan are provisional. (2) Spain and Portugal joined DAC in 1991, Luxembourg in 1992, and Greece in 1999. (3) Excludes aid to Eastern Europe and ODA graduates.

**Chart 39. Per-Capita ODA Burden of DAC Countries**



Source: DAC Journal Development Cooperation 2000 Report.

Notes: (1) Calculations were made using 1999 population figures. (2) Greece joined DAC in December 1999.

**Chart 40. Per-Capita ODA of DAC Countries**

(\$)

Country	Rank	1999	Rank	1998
Denmark	1	325.8	1	321.5
Norway	2	307.2	2	298.2
Luxembourg	3	276.7	3	260.5
Netherlands	4	198.2	4	193.8
Sweden	5	184.0	5	177.7
Switzerland	6	135.7	6	126.3
Japan	7	120.9	9	84.1
France	8	95.4	7	97.6
Finland	9	80.5	10	76.9
Belgium	10	74.2	8	86.6
Germany	11	67.2	11	68.0
Ireland	12	65.3	15	53.6
Austria	13	65.1	13	56.4
U.K.	14	57.2	12	65.2
Canada	15	55.7	13	56.4
Australia	16	51.8	16	51.3
New Zealand	17	35.2	19	34.3
Spain	18	34.6	18	35.0
U.S.A.	19	33.5	20	32.5
Italy	20	31.6	17	39.9
Portugal	21	27.6	21	26.0
Greece	22	18.4	22	17.0
DAC average		67.1		62.3

Source: *DAC Journal Development Cooperation 2000 Report*.

Notes: (1) Countries are listed according to their 1999 ranking. (2) Greece joined DAC in December 1999.

**Chart 41. Grant Share of ODA Provided by DAC Countries**

(Commitment basis; two-year average; %)

Country	Rank	1998/99	Rank	1997/98
Australia	1	100.0	1	100.0
Ireland	1	100.0	1	100.0
Luxembourg	1	100.0	1	100.0
New Zealand	1	100.0	1	100.0
Netherlands	1	100.0	1	100.0
Denmark	1	100.0	1	100.0
Switzerland	1	100.0	9	99.6
Canada	8	99.9	7	99.9
Sweden	8	99.9	7	99.9
Norway	10	99.5	10	99.1
Greece	11	99.1	–	–
Finland	12	98.8	11	98.9
U.S.A.	13	98.5	12	98.2
Belgium	14	98.3	13	97.9
Italy	15	98.1	15	93.4
Portugal	16	95.2	17	87.2
U.K.	17	95.1	14	95.8
Germany	18	86.3	18	86.1
France	19	78.0	19	80.3
Spain	20	77.7	20	75.9
Austria	21	74.2	16	87.4
Japan	22	45.4	21	43.5
DAC average		80.6		79.0

Source: *DAC Journal Development Cooperation 2000 Report*.

Notes: (1) Countries are listed according to their 1998/99 ranking. (2) Figures do not include debt relief. (3) Greece joined DAC in December 1999.

---

**Chart 42. Grant Totals of ODA Provided by DAC Countries**

---

(Net disbursement of grant aid; two-year average; \$ million)

Country	Rank	1998/99
U.S.A.	1	9,654
Japan	2	8,656
France	3	5,965
Germany	4	5,440
U.K.	5	3,640
Netherlands	6	3,282
Italy	7	2,056
Canada	8	1,727
Denmark	9	1,724
Sweden	10	1,602
Norway	11	1,336
Spain	12	1,196
Australia	13	972
Switzerland	14	933
Belgium	15	835
Austria	16	501
Finland	17	433
Portugal	18	290
Ireland	19	223
Greece	20	181
New Zealand	21	132
Luxembourg	22	116
Total		50,887

---

Source: *DAC Journal Development Cooperation 2000 Report*.

Notes: (1) Figures do not include debt relief. (2) Greece joined DAC in December 1999.

**Chart 43. Tying Status of DAC Countries, Bilateral ODA**

(Commitment basis; %)

Country	Untied		Partially untied		Tied	
	1999	1998	1999	1998	1999	1998
Norway	99.1	89.8	–	–	0.9	10.2
Switzerland	96.8	71.7	–	–	3.2	28.3
Portugal	96.6	82.6	–	–	3.4	17.4
Japan	96.4	93.6	2.9	6.4	0.7	–
Luxembourg	96.1	94.0	–	–	3.9	6.0
Netherlands	94.1	85.9	0.9	2.0	4.9	12.1
U.K. <sup>a</sup>	91.8	79.6	–	–	8.2	20.4
Sweden	91.5	79.3	6.6	9.1	1.9	11.6
Australia	86.7	92.8	–	–	13.3	7.2
Germany	84.7	86.5	–	–	15.3	13.5
Finland	84.7	78.6	–	–	15.3	21.4
Denmark	70.8	81.4	–	–	29.2	18.6
France <sup>b</sup>	66.8	65.1	23.4	13.5	9.8	21.4
Austria	39.8	68.6	–	–	60.2	31.4
Belgium <sup>c</sup>	39.0	50.0	49.1	20.0	11.9	30.0
Canada	29.6	34.5	–	–	70.4	65.5
Spain <sup>b</sup>	26.1	26.1	–	–	73.9	73.9
Italy	22.6	63.9	–	–	77.4	36.1
Greece	3.3	–	–	–	96.7	–
U.S.A.		28.4		–		71.6
Ireland						
New Zealand						
DAC (total average)	83.8	72.2	4.7	4.6	11.5	23.2

Source: DAC Journal Development Cooperation 2000 Report

Note: As the figures in the table are rounded off, they do not necessarily add up to the totals.

a. Gross disbursements.

b. 1998 data.

c. Excludes technical cooperation and administrative costs, except for Belgium.



**Chart 44. Five Largest ODA Recipients of Major DAC Countries**

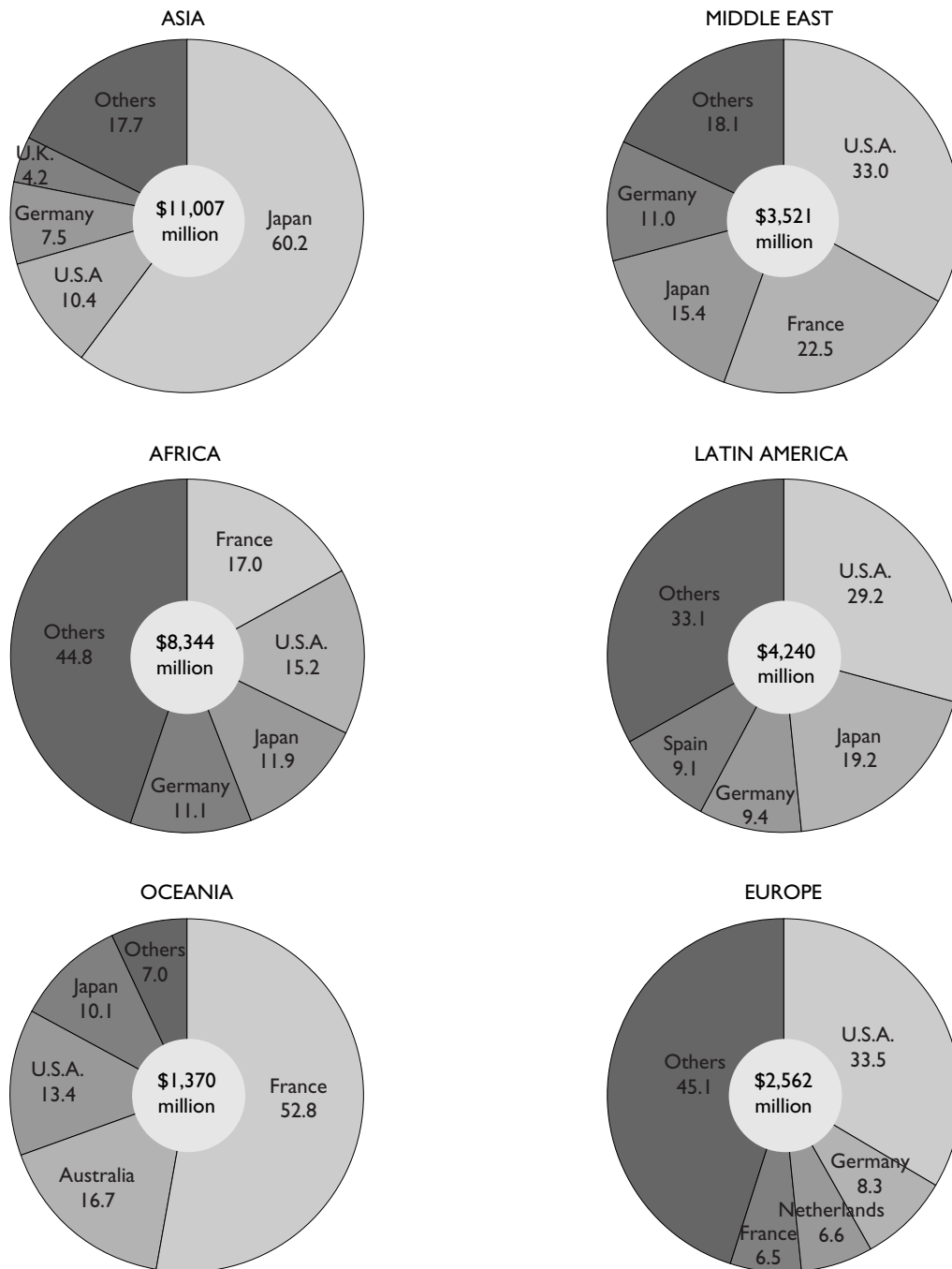
Rank	Donor	Year	1		2		3		4		5	
			Recipient	Share (%)	Recipient	Share (%)	Recipient	Share (%)	Recipient	Share (%)	Recipient	Share (%)
												(Net disbursement basis)
	Japan	1995	China	13.3	Indonesia	8.6	Thailand	6.4	India	4.9	Philippines	4.0
		1996	Indonesia	11.8	China	10.5	Thailand	8.1	India	7.1	Philippines	5.1
		1997	China	8.8	Indonesia	7.6	India	7.5	Thailand	7.2	Philippines	4.9
		1998	China	13.5	Indonesia	9.7	Thailand	6.5	India	5.9	Pakistan	5.8
		1999	Indonesia	15.3	China	11.7	Thailand	8.4	Viet Nam	6.5	India	6.1
	U.S.A.	1995	Egypt	11.2	Haiti	6.8	Israel	5.8	Iraq	2.4	Palau	2.4
		1996	Israel	32.6	Egypt	10.5	Bosnia-Herzegovina	2.0	Iraq	1.6	Micronesia	1.5
		1997	Egypt	11.0	Bosnia-Herzegovina	3.7	Bolivia	3.3	Peru	2.4	South Africa	2.1
		1998	Egypt	13.5	Bosnia-Herzegovina	3.6	Jordan	2.3	Peru	2.0	Bolivia	1.5
		1999	Egypt	9.7	Bosnia-Herzegovina	3.2	Indonesia	3.0	Colombia	2.7	Jordan	2.5
	U.K.	1995	India	8.5	Zambia	4.6	Bangladesh	4.6	Uganda	4.0	Indonesia	3.4
		1996	India	8.6	Malawi	4.7	Bangladesh	4.0	Former Yugoslavia	3.9	Uganda	3.9
		1997	India	7.8	Guyana	7.6	Zambia	4.7	Uganda	4.0	Mozambique	3.7
		1998	India	8.8	Tanzania	7.4	Uganda	5.0	Bangladesh	4.6	Montserrat	3.1
		1999	India	5.9	Bangladesh	5.1	Uganda	4.3	Ghana	4.1	Tanzania	3.9
	France	1995	Côte d'Ivoire	8.0	Egypt	7.0	French Polynesia	6.9	New Caledonia	6.9	Tanzania	4.1
		1996	New Caledonia	6.8	Egypt	5.2	Côte d'Ivoire	5.2	Morocco	5.1	Algeria	4.2
		1997	French Polynesia	7.6	New Caledonia	7.0	Madagascar	6.5	Egypt	5.9	Republic of Congo	5.1
		1998	French Polynesia	8.8	New Caledonia	8.0	Egypt	7.4	Morocco	4.8	Côte d'Ivoire	4.6
		1999	French Polynesia	8.6	New Caledonia	7.6	Egypt	6.2	Senegal	5.5	Morocco	5.4
	Germany	1995	China	14.2	Former Yugoslavia	8.3	Nicaragua	3.6	Egypt	3.5	India	3.5
		1996	China	10.2	Egypt	9.8	Nicaragua	8.9	Philippines	2.4	Bolivia	2.3
		1997	Egypt	10.9	China	10.5	Indonesia	3.2	Peru	2.3	Iraq	1.8
		1998	China	9.2	Indonesia	6.1	Egypt	3.2	Tanzania	3.1	India	3.0
		1999	China	9.3	Serbia-Montenegro	3.6	Egypt	3.2	Pakistan	2.6	Tanzania	2.0

Source: OECD, *Geographical Distribution of Financial Flows, 2000*.

Notes: (1) Shares are of total bilateral aid. (2) Excludes aid to Eastern Europe and ODA graduates.

**Chart 45. Shares of Aid of Major Donors by Region (1999)**

(%)



Notes: (1) Regional groupings follow the classification used by the Japanese Ministry of Foreign Affairs. (2) Dollar figures are actual disbursements by DAC countries. (3) Excludes aid to Eastern Europe and ODA graduates.

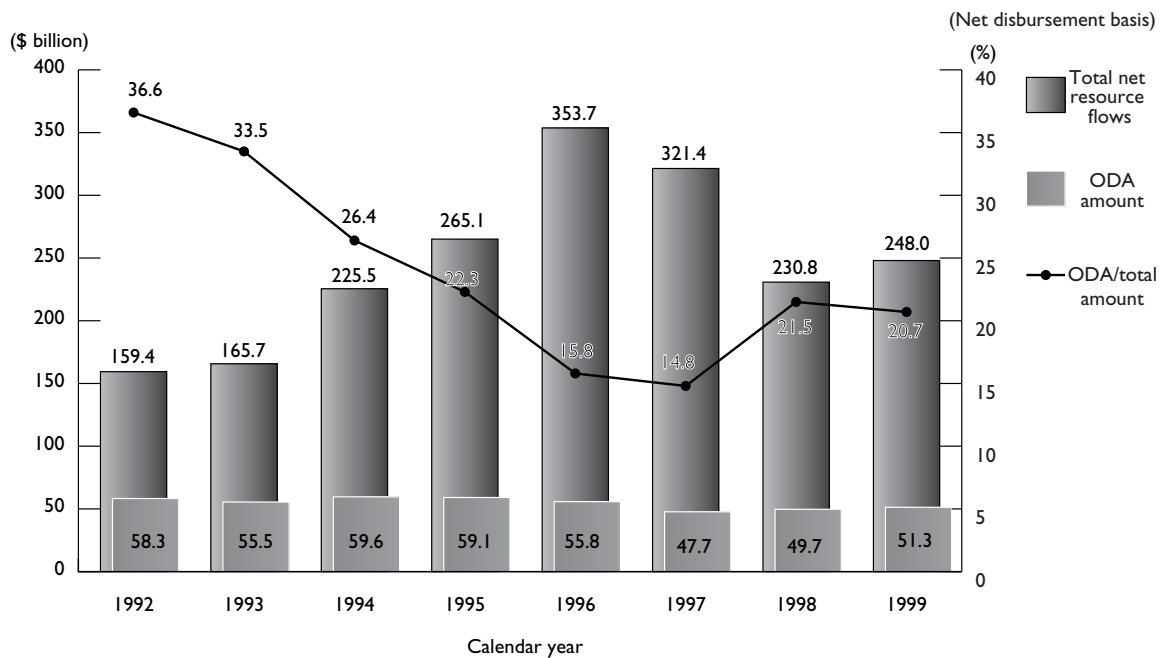
**Chart 46. Comparison of ODA Provided by Major Donors**

	Japan	U.S.A.	U.K.	France	Germany	Italy	Canada	DAC total
Quantitative comparison (Net disbursement basis)								
Total nominal disbursements (\$ billion)								
1999	15.32	9.15	3.40	5.64	5.52	1.81	1.70	56.38
2000	13.51	9.58	4.46	4.22	5.03	1.37	1.72	53.50
% of gross national income								
1999	0.34	0.10	0.24	0.39	0.26	0.15	0.28	0.24
2000	0.28	0.10	0.31	0.33	0.27	0.13	0.25	0.22
% of DAC total (2000)								
	25.2	17.9	8.3	7.9	9.4	2.6	3.2	100.0
% increase from previous year (2000)								
	-11.8	4.8	31.1	-25.1	-8.7	-24.3	1.4	-5.1
Amount committed in 1999 (\$ billion)								
	16.32	12.46	3.41	6.89	7.28	1.96	1.90	65.46
% of multilateral aid (1998-99 average)								
	26.7	28.4	39.7	27.0	39.0	71.9	29.7	32.6
% provided to LLDCs								
	18.9	28.2	39.1	23.8	30.7	46.8	36.0	29.3
% provided to LICs								
	43.3	28.4	34.1	24.4	34.5	36.7	39.9	33.6
Qualitative comparison (Commitment basis, %)								
Grant element of total ODA (1998-99 average, excluding debt relief)								
	83.6	99.4	100.0	93.3	96.0	99.6	100.0	94.2
Grant element of bilateral loans (1998-99 average, excluding debt relief)								
	69.7	57.6	-	57.4	70.7	74.8	89.4	68.5
Grant element of bilateral ODA to LLDCs (1998-99 average, excluding debt relief)								
	98.0	99.7	100.0	99.2	100.0	100.0	100.0	99.3
Grant share of total ODA (1998-99 average, excluding debt relief)								
	45.4	98.5	95.1	78.0	86.3	98.1	99.9	80.6
Grant share of bilateral ODA (1998-99 average, excluding debt relief)								
	36.3	98.1	91.7	76.4	76.6	92.2	99.8	73.4
Tying status of bilateral ODA (1999)								
Untied	96.4	-	91.8	66.8	84.7	22.6	29.6	(83.8)
Partially tied	2.9	-	-	23.4	-	-	-	(4.7)
Tied	0.7	-	8.2	9.8	15.3	77.4	70.4	(11.5)

Sources: DAC *Journal Development Cooperation 2000 Report* and DAC press releases, 2001.

Notes: (1) According to UN standards, there were 49 least developed countries (LLDC) in 2001. (2) Figures for tying status exclude technical cooperation and administrative costs. DAC totals are estimates. (3) Figures for all countries except Japan are provisional.

**Chart 47. Flow of Funds from DAC Countries and International Institutions to Developing Countries**



Source: DAC Journal Development Cooperation 2000 Report.

Note: Figures for 1992 exclude non-ODA debt relief.

**Chart 48. Flow of Funds from the World to Developing Countries**

(Net disbursement basis; nominal figures; \$ billion)

Type	1992	1993	1994	1995	1996	1997	1998	1999
I. Official development finance (ODF)	78.3	82.4	84.5	87.6	73.5	75.3	88.4	84.9
1. Official development assistance (ODA)	58.3	55.5	59.6	59.1	55.8	47.7	49.7	51.3
A. Bilateral disbursements	41.4	39.4	41.3	40.6	39.1	32.4	35.2	37.9
B. Multilateral disbursements	17.0	16.1	18.3	18.4	16.7	15.3	14.5	13.4
2. Other ODF	20.0	26.9	24.9	28.5	17.7	27.6	38.7	33.6
II. Total export credits	1.0	-3.0	6.3	5.6	4.0	4.8	8.3	4.0
III. Private flows (PF)	80.1	86.3	134.7	172.0	276.2	241.3	134.0	159.2
<b>Total net resource flows (I+II+III)</b>	<b>159.4</b>	<b>165.7</b>	<b>225.5</b>	<b>265.1</b>	<b>353.7</b>	<b>321.4</b>	<b>230.8</b>	<b>248.0</b>

Source: DAC Journal Development Cooperation 2000 Report.

Notes: (1) Non-ODA debt relief is excluded in 1992. (2) Includes flows from non-OECD and non-DAC countries. (3) Preliminary figures for 1999.

# Part IV

---

## REFERENCE



---

# JAPAN'S OFFICIAL DEVELOPMENT ASSISTANCE CHARTER

JUNE 30, 1992

In order to garner broader support for Japan's Official Development Assistance (ODA) through better understanding both at home and abroad and to implement it more effectively and efficiently, the government of Japan has established the following Charter for its ODA.

## I. BASIC PHILOSOPHY

---

Many people are still suffering from famine and poverty in the developing countries, which constitute a great majority among countries in the world. From a humanitarian viewpoint, the international community can ill afford to ignore this fact.

The world is now striving to build a society where freedom, human rights, democracy and other values are ensured in peace and prosperity. We must recognise the fact of interdependence among nations of the international community that stability and the further development of the developing world is indispensable to the peace and prosperity of the entire world.

Environmental conservation is also a task for all humankind, which all countries, developed and developing alike, must work together to tackle.

It is an important mission for Japan, as a peace-loving nation, to play a role commensurate with its position in the world to maintain world peace and ensure global prosperity.

Bearing these points in mind, Japan attaches central importance to the support for the self-help efforts of developing countries towards economic take-off. It will therefore implement its ODA to help ensure the efficient and fair distribution of resources and "good governance" in developing countries through developing a wide range of human resources and socioeconomic infrastructure, including domestic systems, and through meeting the basic human needs (BHN), thereby promoting the sound economic development of the recipient countries. In so doing, Japan will work for globally sustainable development while meeting the requirements of environmental conservation.

Such assistance is expected to further promote the existing friendly relations between Japan and all other countries, especially those in the developing world.

## 2. PRINCIPLES

---

Taking into account comprehensively each recipient country's request, its socioeconomic conditions, and Japan's bilateral relations with the recipient country, Japan's ODA will be provided in accordance with the principles of the United Nations Charter (especially those of sovereign equality and non-intervention in domestic matters), as well as the following four principles.

- (1) Environmental conservation and development should be pursued in tandem.
- (2) Any use of ODA for military purposes or

for aggravation of international conflicts should be avoided.

- (3) Full attention should be paid to trends in recipient countries' military expenditures, their development and production of mass destruction weapons and missiles, their export and import of arms, etc., so as to maintain and strengthen international peace and stability, and from the viewpoint that developing countries should place appropriate priorities in the allocation of their resources in their own economic and social development.
- (4) Full attention should be paid to efforts for promoting democratization and introduction of a market-oriented economy, and the situation regarding the securing of basic human rights and freedoms in the recipient country.

### 3. PRIORITY

---

#### (1) Regions

Historically, geographically, politically and economically, Asia is a region close to Japan. East Asian countries, especially member countries of the Association of South East Asian Nations (ASEAN), constitute one of the most economically dynamic regions in the world, and it is important for the world economy as a whole to sustain and promote the economic development of these countries. There are, however, some Asian countries where large segments of the population still suffer from poverty. Asia, therefore, will continue to be a priority region for Japan's ODA.

It is also necessary to be mindful of the poverty and the economic difficulties in the world as a whole. Japan will therefore extend cooperation, befitting its position in the world, to Africa, the Middle East, Latin America, Eastern Europe, and Oceania. Due consider-

ation will be paid in particular to Least among Less Developed Countries (LLDCs).

#### (2) Issues

##### *(a) Approach to Global Problems*

Recognizing that it is important for developed and developing countries to cooperate in tackling global problems such as the environment and population, Japan will support efforts being made by developing countries to overcome these problems.

##### *(b) Basic Human Needs*

To help people suffering from famine and poverty, refugees, and others, Japan will provide assistance to the BHN sector and emergency humanitarian aid.

##### *(c) Human Resources Development, Research and Other Cooperation for Improvement and Dissemination of Technologies*

A priority of Japan's ODA will be placed on assistance to human resources development which, in the long-term, is the most significant element of self-help efforts towards socioeconomic development and is a basic factor for the nation-building of developing countries. Japan will also promote cooperation for the improvement and dissemination of technologies, such as research cooperation that will add to research and development as well as adaptive capabilities of developing countries.

##### *(d) Infrastructure Improvement*

Priority will be placed on assisting infrastructure improvement, which is a prerequisite to socioeconomic development.

##### *(e) Structural Adjustment*

Japan will provide support to structural adjustment, so that the entrepreneurship and the vitality of the private sector in recipient coun-



tries can be fully exerted in the market mechanisms, and to their efforts for a solution to the accumulated debt problem.

#### 4. MEASURES FOR THE EFFECTIVE IMPLEMENTATION OF OFFICIAL DEVELOPMENT ASSISTANCE

---

- (1) Japan will promote intensive policy dialogues with recipient countries, with a view to collecting and analyzing relevant information on these countries, and sharing with them basic perceptions on their development policies, taking into account their requests and ideas.
- (2) To respond to the various needs of developing countries in different stages of development, Japan's ODA will take advantage, to the maximum extent possible, of the merits of loans, grants, technical cooperation and other forms of assistance. All of these forms of assistance will be organically linked together and coordinated.
- (3) When called for, there will be appropriate communication and cooperation with aid agencies of other donor countries, United Nations agencies and international financial institutions, as well as Japanese local governments and private organizations such as labor and business organizations. In particular efforts will be made to ensure that Japan's perspective on ODA is adequately reflected in the cooperation through international organizations, while taking full advantage of the expertise and political neutrality of these organizations. There will also be cooperation with and appropriate support to non-governmental organizations (NGOs), while respecting their independence.
- (4) Japan's own development policies and experiences, as well as those of countries in East and Southeast Asia which have succeeded in economic take-off, will be put to practical use.
- (5) In implementing environmental ODA, Japan will make the best use of its technology and know-how, which it has acquired in the process of successfully making environmental conservation and economic development compatible.
- (6) In order to contribute to the transfer of technology suitable for the level of development of the recipient countries, Japan will promote the development of relevant technologies and will provide such assistance as will enable the adequate utilization of the knowledge and technologies possessed by other developing countries.
- (7) In transferring technology and know-how, Japan will make use of those possessed by the Japanese private sector as well as by the government, and provide support for technical cooperation by the private sector.
- (8) In order to cope with transnational regional problems, Japan will cooperate more closely with international organizations and other frameworks for regional cooperation such as the Asia-Pacific Economic Cooperation (APEC).
- (9) A close relationship will be maintained between ODA, direct investment and trade, so that those three can promote the development of developing countries organically. For this purpose, ODA will be more closely linked to and be supportive of economic cooperation in the private sector through trade insurance and such organizations as the Export-Import Bank of Japan.
- (10) Cooperation and research to find and formulate adequate development projects will be enhanced. For the future improvement of its ODA, projects evaluations, including third party evaluations

and joint evaluations with recipients and other donors and organizations, will also be strengthened.

- (11) Regional studies of developing countries, studies of development policy, and comprehensive evaluation of ODA will be further promoted.
- (12) Full consideration will be given to the active participation of women in development, and to their obtaining benefits from development.
- (13) Full consideration will be given to the socially weak, such as the disadvantaged, children and the elderly.
- (14) Consideration will be given to redressing the gap between the rich and the poor and the gap among various regions in developing countries.
- (15) Japan's ODA activities will be conducted with full care to see that they do not lead to injustice or corruption in the recipient countries.

## 5. MEASURES TO PROMOTE UNDERSTANDING AND SUPPORT AT HOME AND ABROAD

---

The following measures will be adopted to ensure that ODA is implemented with public understanding both at home and abroad and to secure the participation of the Japanese people.

### (1) Making ODA Information Public

While taking into account such matters as diplomatic relations with recipient countries, more information regarding the ODA activities will be made available to the Diet and to the public.

### (2) Enhancement of Public Relations and Development Education

Organized public relations activities and educa-

tional programs on development assistance will be promoted.

## 6. ODA IMPLEMENTATION SYSTEM

---

### (1) Recruitment, Training and Utilization of Competent Aid Personnel

In order to recruit, train and utilize fully the talents of competent ODA personnel, training institutes of aid experts will be enhanced to foster more development experts, private enterprise consultants and others.

### (2) Ensuring Effective and Efficient Mechanisms to Implement ODA

Communication and consultation between relevant ministries and agencies will be promoted for the effective and efficient implementation of ODA. In addition, cooperation between the two aid-implementing organizations, the Japan International Cooperation Agency (JICA) and the Overseas Economic Cooperation Fund (OECF) will be intensified. At the same time, the ODA implementation functions of these two organizations will be improved. In order to obtain further cooperation from the private sector, efforts will be made to extend such support to this sector as will appropriately cover the related expenses.

### (3) Ensuring the Safety of ODA Personnel Dispatched Overseas

Continued efforts will be made to safeguard the lives and personal safety of ODA personnel dispatched to developing areas, and to provide necessary assistance in the event of unexpected incidents.

---

# JAPAN'S MEDIUM-TERM POLICY ON OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

AUGUST 10, 1999

## INTRODUCTION

---

**H**umankind has achieved an unprecedented level of development during the second half of the 20th century. In developing countries, average life expectancy has increased by more than 20 years, while adult literacy rates, which in the 1950s stood below 50%, rose to about two-thirds. However, some 1.3 billion people continue to live in extreme poverty, 1.1 billion people do not have access to safe and clean water, and more than 800 million people are suffering the effects of malnutrition and starvation. Clearly much remains to be done. Many countries have taken large strides toward democratization and the implementation of market-oriented economic systems since the end of the Cold War. Yet during the same period, in some regions of the world, conflicts and domestic confrontations have taken on a greater intensity, often instigated by conditions of poverty and lack of development.

With dramatic advances in information technology and economic liberalization, important improvements in economic efficiency have been attained, together with a rapid growth in international interdependence. However, this wave of globalization has left many countries behind, exacerbating the gap between the rich and the poor. The Asian economic crisis of 1997 unveiled the structural vulnerability of developing economies and underlined the need for

new assistance. Furthermore, the Asian economic crisis served to spotlight the close and inseparable economic ties between Japan and the East Asian region (including Southeast Asia). As such, Japanese assistance for structural reform, economic rehabilitation, and social stabilization in East Asian countries constitutes an extremely important and direct link to the prosperity of Japan and is also an important factor in the formulation of Japan's economic policies.

Global warming and other environmental problems could potentially have a negative impact, not only on individual countries but on the Earth in its entirety. Indeed, there are numerous problems that demand a concerted effort on the part of the international community, including the problems of population growth, AIDS, food, energy resources, and drug abuse. These are problems that are intricately linked to the developing world.

With the approach of the 21st century, the industrial countries of the world face the common challenge of supporting developing countries to achieve sustainable and environmentally sound development. As the world's second largest economy and the largest donor of official development assistance (ODA), Japan shoulders the important responsibility of contributing to sustainable social and economic development in developing countries. This is a role through which Japan can win the confidence and appreciation of the international

community. Furthermore, as a nation whose prosperity is closely linked to world peace and stability and that is highly dependent on the importation of resources, energy, food, and other basic materials, ODA plays a very significant role in ensuring Japan's own stability and prosperity. As such, economic assistance promotes Japan's best interests, including the maintenance of peace.

Japan is experiencing fiscal and economic difficulties and there have been major changes in the domestic and international environment for aid. It is necessary to further consider, in a more integrated manner, how to implement ODA in light of these factors. Under such circumstances, it is important to earn public understanding and support for the ODA program in order to continue to respond to the high expectations of the international community. To achieve this understanding and support, assistance must be adequately implemented in accordance with the basic philosophy and principles spelled out in the Official Development Assistance Charter (ODA Charter)<sup>1</sup> and efforts must be continued to improve the effectiveness and efficiency of aid programs. Moreover, proper accountability must be established vis-à-vis the Diet and the general public, and Japan's ODA program must be coordinated with its foreign policies and with other important policies pertaining to the national interest.

While Japan's ODA program has generally received high marks, it is a fact that the original objectives of ODA projects are not always met and that certain improvements are necessary. This is attributable, in part, to the inherent difficulty of undertaking ODA while working jointly with countries with vastly differing histories, cultures, customs, laws, and linguistic backgrounds.

In view of the above, the Government of

Japan herein sets down its basic approaches in regard to ODA, and identifies overall priority issues and sectors as well as those by region. Undertaken with a five-year time frame in mind, this medium-term policy will be subject to review and modification in response to changing domestic and international conditions.

## I. BASIC APPROACHES

1. In 1996, the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development issued its "Development Partnership Strategy" in "Shaping the 21st Century: The Contribution of Development Cooperation." The guidelines for future development cooperation were based on the analysis of 50 years of development cooperation by industrial countries and on the role of assistance in the international community. This document identifies the improvement of living standards as the main objective of development cooperation and formulates specific goals for social development, such as halving the proportion of impoverished populations by the year 2015.<sup>2</sup> Japan played a leading role in the preparation of the Development Partnership Strategy and continues its efforts to set such an approach in motion in the international community. As a result, the Development Partnership Strategy is now becoming a common guideline for development cooperation with developing countries. Japan will continue to manage its ODA in a manner consistent with its ODA Charter and with an eye to the goals of the Development Partnership Strategy.
2. The key to realizing the goals of the Development Partnership Strategy lies in the self-help efforts and the initiatives of developing

- countries as they work toward economic take-off. Japan will emphasize “good governance” through the improvement of the policy management capabilities of developing countries and will work to support their initiatives in this area. Japan will also encourage developing countries to ensure proper implementation and transparency in aid projects. On the premise of such self-help efforts and initiatives, Japan will endeavor to develop partnerships through cooperation and coordination with other donor countries and international organizations.
3. The provision of aid must be based on the proper evaluation of the development agendas and the needs and wishes of individual countries. Various forms of aid must be effectively combined to ensure a proper match to the developmental stage of the recipient country. Likewise, it is necessary to undertake policy dialogues with developing countries and utilize prior studies to design effective and efficient aid projects that conform to national conditions and needs. Special attention must be paid to ensure that vested interests do not emerge in aid-receiving sectors and recipient countries. Whenever necessary, Japan will review its aid schemes, such as ODA loans, in light of changing conditions.
  4. A comprehensive approach is needed to enhance the impact of aid. Specifically, the available resources of pertinent entities such as developing countries, donor countries, international organizations, the private sector, and non-governmental organizations (NGOs) must be appropriately utilized. Similarly, cooperation and an appropriate division of roles and responsibilities among these entities must be established. In view of the growing importance of trade and investment and other private-sector activities observed in Asia, Latin America, and elsewhere, efforts must be made to improve the environment for private-sector activities and the inflow of private funds. In this respect, special attention should be paid to equitable and efficient resource allocation, the amelioration of disparities, and the provision of assistance to sectors not benefiting from private flows.
  5. Economic growth is a necessary measure for the improvement of welfare, and “human-centered development” is indispensable to the realization of sustainable development. Consequently, Japan will provide assistance for balanced economic growth and social development. Based on this human-centered approach, special attention will be given to the needs of the least developed countries (LLDC).<sup>3</sup> Due attention will also be focused on “human security” and the protection of individuals and communities from various dangers and threats, including environmental destruction, starvation, drug abuse, organized crime, infectious diseases, human rights infringements, regional conflicts, and anti-personnel mines.
  6. The provision of ODA must be based on the understanding and support of taxpayers and the general public. For this purpose, Japan will actively endeavor to increase national involvement in and visibility of Japanese aid and promote better awareness of Japan’s assistance programs in recipient countries. Japan will also continue to contribute through multilateral agencies, which provide certain advantages not available through bilateral aid. Furthermore, efforts will also be made to further utilize Japan’s experiences, technology, and know-how, taking into consideration increased oppor-



tunities for Japanese businesses to participate in ODA projects and encouraging broad-based public participation in development cooperation through universities, think tanks, local governments, and NGOs. Through such efforts, Japan will maintain its vitality within the global community, continuing to enjoy harmonious development in the future and winning the confidence and appreciation of the international community.

## II. PRIORITY ISSUES AND SECTORS

In light of the basic approaches enunciated above, henceforth Japan will place greater emphasis on poverty alleviation programs and various aspects of social development, human resources development, policy-related assistance and other “soft” types of aid. This will be done while considering the balance with assistance aimed at economic and social infrastructure development. Japan will also continue to work actively on tackling global issues.

### I. Support for Poverty Alleviation Programs and Social Development

The importance of combating poverty is fully reflected in the goals of DAC’s “Development Partnership Strategy.” This has also been confirmed in the so-called “20/20 Initiative” of the United Nation’s World Summit for Social Development of 1995, which calls on industrial countries to earmark at least 20% of their economic assistance, and developing countries at least 20% of their national budgets, to basic social needs.<sup>4</sup> The “Initiative for a Caring World” proposed by Japan<sup>5</sup> advocates the sharing of knowledge and experience to improve the welfare of people in developing countries.

The following factors are of special impor-

tance in the fight against poverty: equitable distribution of the benefits of economic development, implementation of economic cooperation projects directly aimed at assisting the poor, and the sharing of Japan’s own experiences of economic growth and poverty eradication with developing countries.

Assistance for basic education and health and medical services plays a critical role in poverty alleviation programs and social development projects. The perspective of “women in development” (WID) and gender issues is of similar importance for developing countries.<sup>6</sup> As access to safe water constitutes a vital element in supporting human health, the scarcity of water resources could conceivably result in increased tensions in the future. For this reason, assistance for water resource development and the management and use of existing water resources has become increasingly important. To reduce regional disparities, assistance to rural and impoverished areas must be assigned greater importance. In many developing countries, large populations reside in rural areas. Thus, the elimination of poverty in such areas is of importance. The Asian currency and economic crisis has served to reiterate the importance of agriculture and of rural areas.

In light of the above, Japan will provide the following forms of support.

- Japan will endeavor to achieve the goals of the “20/20 Initiative,” while keeping in mind the objectives outlined in the Development Partnership Strategy.
- Japan will assist developing countries in their efforts to improve policy formulation and implementation capabilities and to comprehensively address poverty alleviation. Japan will emphasize software-oriented cooperation such as the development of institutions that will promote the distribution of the benefits of economic

- development to impoverished populations.
- Japan will employ comprehensive and cross-sectoral approaches involving WID and gender considerations, job training and employment creation, and micro-financing. Japan will also emphasize community-oriented and participatory approaches to economic assistance.
  - To reduce regional disparities, assistance will be provided for promoting the key rural industries of agriculture, forestry, and fisheries. Similarly, local industries will be nurtured to create new employment opportunities. Emphasis will be placed on improving the living environment and on training community organizations.

#### *(1) Basic Education*

Not only is access to education a basic human right, it is a key factor in developing an effective response to the problems of poverty, population, and the environment in developing countries.

In the least-developed countries, as well as in many developing countries, access to elementary education is hampered by a lack of funds, educational facilities, teaching materials, and teachers. Consequently, nearly 860 million people throughout the world remain illiterate. The objectives of the Development Partnership Strategy include the promotion of elementary education and the elimination of gender disparities in elementary and secondary education. Japan's assistance in the field of basic education has included the construction of school buildings<sup>7</sup> and the provision of equipment and materials. For the elimination of gender disparities in Asia and Africa, Japan has been supporting the activities of the United Nations Children's Fund (UNICEF) for the education of girls.<sup>8</sup>

In light of the above, Japan will provide the following forms of support.

- In addition to hardware-oriented assistance for the construction of schools and provision of equipment and materials, Japan will upgrade its advisory assistance in both the areas of course development and educational administration, including assistance for the enhancement of system and capacity building in school administration, curriculum and teaching materials development, and teacher training.
- Japan will pay special attention to supporting basic education for girls.
- Active efforts will be made to utilize the resources of the Japan Overseas Cooperation Volunteers and to promote cooperation with NGOs in the education of local communities, as well as to promote community participation in the implementation of assistance projects.
- Efforts will be made to ensure that assistance for basic education contributes to the improvement of job training and worker capacities in response to local needs and conditions.

#### *(2) Health and Medical Care*

Poverty and a lack of development directly affect people's health in developing countries. Past development efforts have resulted in the improvement of health indicators in developing countries. For instance, Japan has actively contributed to the WHO program for eradicating polio from the West Pacific region. Thanks to such efforts, polio has almost vanished from the West Pacific region and has declined dramatically on a worldwide scale.<sup>9</sup> However, nearly 12 million children under the age of five continue to die every year from preventable diseases. In order to respond to the many remaining challenges, it is essential that "primary health care" be made available to the greatest number of people possible. Humankind

is also being threatened by emerging and re-emerging infectious diseases such as AIDS, tuberculosis, malaria, and various parasitic diseases. It is necessary for Japan to collaborate with WHO and with other donor countries and organizations in the fight against these epidemics.

The Development Partnership Strategy identifies as one of its goals the promotion of health care medical services for reproductive health, including the reduction of infant mortality and mortality rates in pregnancy and during delivery.

In light of the above, Japan will provide the following forms of support.

- Japan will continue to provide both hardware-oriented assistance and advisory assistance to core institutions of the medical and health care systems of developing countries.
- Japan will emphasize primary health care and will provide assistance for the creation of health and medical systems geared toward providing basic health care services to the largest possible number of people.
- Japan will make maximum use of its own past experiences to assist the governments of developing countries in policy formulation and improved capacity building and will promote improved health and medical policies through policy dialogues.
- To effect sustainable cooperation, Japan will actively pursue community participation and collaboration with NGOs.
- In view of the fact that economic crises most seriously affect the vulnerable members of society and their health, Japan will endeavor to prevent the erosion of past achievements in the area of health care.

### *(3) Women in Development (WID)/Gender in Developing Countries*

Of the 1.3 billion people living in conditions of

poverty throughout the world, 70% are women. Similarly, women are placed in disadvantageous positions in terms of education, employment, and health. Assistance for women is an important factor in achieving balanced and sustainable economic development in developing countries, as is the balanced participation of men and women in assistance projects and the distribution of the benefits derived from such projects. In 1995, Japan announced its “Initiative on WID” for assigning special importance to education, health, and the social and economic participation of women in the implementation of assistance projects.

In light of the above, Japan will provide the following forms of support.

- Japan will provide active assistance for the health and education of women, family planning, micro-financing for promoting the economic independence of women, job training, and the improvement of the work environment. Moreover, Japan will assist developing countries in improving policy formulation capabilities in these fields.
- Japan will endeavor to utilize monitoring and evaluate results pertaining to gender, while paying due attention to the impact of the participation of male and female community members in assistance projects on gender.

### **2. Support for Economic and Social Infrastructure**

The maintenance of sustainable economic development constitutes an essential requirement in promoting social development and poverty alleviation programs in developing countries and for working towards the achievement of the goals specified in the Development Partnership Strategy. Over the years, Japan has used its ODA loans to actively support the development of the social and economic infrastructures that



underpin the process of economic growth. In this way, Japan has made a major contribution to building the foundation for economic development, particularly in the Asian region.<sup>10</sup> It must be borne in mind that, while the development of social and economic infrastructure requires adequate volumes of medium- and long-term funds, only a limited group of developing countries are able to generate these funds domestically or to attract adequate private funds from overseas.

In light of the above, Japan will provide the following forms of support.

- Japan will continue to provide assistance for the development of social and economic infrastructure in developing countries. These projects will target such sectors as transportation, communication, electric power generation, and river and irrigation facilities, and efforts will be designed to correspond to the conditions and needs of individual countries.
- In view of the importance of non-ODA funds, Japan will emphasize coordination and division of roles and responsibilities with private-sector funds and other official flows (OOF).
- Japan will utilize ODA funds to develop an environment conducive to private investment.
- Japan will cooperate in the policy aspects of infrastructure development, including the formulation, design and specification of development plans. Similarly, Japan will cooperate in the maintenance and management of facilities through both financial and technical assistance in order to maintain the benefits of assistance projects.
- In the process of project implementation, Japan will pay due attention to ensuring that project benefits reach impoverished regions and populations. Japan will also take into

consideration the impact of projects on local communities and populations and on the environment.

### 3. Human Resources Development and Intellectual Support

#### *(1) Human Resources Development*

The development of individuals is the base for the development of a country, and one of Japan's basic aims in providing economic assistance is to support the self-help efforts of recipient countries. As such, Japan places particular emphasis on the continuing development of human resources needed for the social and economic development of developing countries.<sup>11</sup>

In light of the above, Japan will provide the following forms of support.

- In order to support the self-help efforts of developing countries, Japan will promote the dispatch of experts and the acceptance of trainees.
  - Japan will give due attention to support for the educational sector, including higher education, and vocational training programs.
  - Japan will endeavor to promote the transfer of technologies and the development of human resources that conform to the national conditions and needs of recipient countries.
  - Japan will provide assistance that directly enhances the capabilities of communities and residents through the use of the Japan Overseas Cooperation Volunteers and Senior Overseas Volunteers.
  - Japan will actively endeavor to develop human resources projects that will have a geographically broad effect (such as third-country training).<sup>12</sup>
- Japan will actively promote the acceptance of foreign students from developing countries

and Japanese language training, both in developing countries and in Japan. Such initiatives will be pursued not only from the perspective of human resources development, but also in view of their significance in promoting mutual understanding between Japan and developing countries. Initiatives will also be pursued in terms of their strategic importance in directly benefiting Japan's intellectual and advisory contributions to the international community. Japan will provide assistance while emphasizing the following points.

— Japan will upgrade and improve its systems for the acceptance of foreign students (including follow-up programs for foreign students returning to their home countries) in accordance with “The 100,000 Foreign Students Plan.”

— Japan will promote the exchange of personnel, including the exchange of teachers.

— In response to the increasingly diverse needs of foreign students, Japan will endeavor to improve the quality of university education for foreign students, the scholarship system for foreign students, and direct support for foreign students.

— Coordination will be pursued with the private sector, which plays a key role in assisting foreign students.

Active support will be provided for Japanese language training, which plays a central role in promoting a better understanding of Japanese culture in foreign countries and the acceptance of foreign students.

## *(2) Intellectual Support*

The importance of intellectual support is growing, not only for economies in transition, but also for developing countries undergoing economic development against the background of rapid economic globalization. Such countries are in particular need of intellectual support that

corresponds to ongoing changes in their economic and social systems. Much of the experience and know-how accumulated by Japan in the process of its own economic development can prove highly effective in supporting the progress of developing countries. Of particular importance is support pertaining to the formulation of various types of systems and policies, including the development of legal frameworks. Utilizing Japanese human resources through the dispatch of policy advisers and other experts is effective for this purpose. Against a background of growing international interdependence in the areas of trade and investment, support in respect of such advisory services will play an important role in supporting global economic systems such as the WTO-based multilateral trading system.

In light of the above, Japan will provide the following forms of support.

— Japan will emphasize support for policy and institutional development, including the development of legal frameworks, in the following areas.

(a) The development of appropriate fiscal, financial, and other economic systems.

(b) The enhancement of policy formulation and the implementation capacities of developing countries.

(c) Promotion of a market economy.

(d) Protection of socially vulnerable groups and individuals.

(e) Prevention of pollution and preservation of natural environment.

— Japan will provide intellectual support for institutional development, promoting the distribution of the benefits of economic growth to impoverished populations.

— Support will be provided by experts, not only of the public sector but of a wide range of private sector entities, including universities and think tanks, and through the dispatch of policy advisers.

### *(3) Support for Democratization*

Reinforcing the democratic foundations in developing countries will promote greater public participation in governance and development and the protection of human rights. As such, democratization is an extremely important factor in achieving medium- to long-term stability and development. Since the end of the Cold War, many countries have been endeavoring to introduce democratic institutions together with market principles. It is important to support these efforts and work toward the reinforcement of democracy.

Japan's support for democratization includes such activities as the acceptance of trainees, the organization of seminars, and the provision of personnel, and financial assistance for domestic elections in developing countries.<sup>13</sup>

In light of the above, Japan will provide the following forms of support.

- Japan will actively provide the following types of support to countries pursuing democratization and market-oriented economic reforms: support for the improvement of administrative management capabilities; support for the development of developing institutions and policies pertaining to democratization and the introduction of market principles; human resources development; participatory development; and support for public elections.
- In view of the unique features of the fundamental transformations engendered by the political process of democratization and introduction of market principles, Japan will pay due attention to the political systems, the social and economic conditions, and the historical backgrounds of individual countries.

## 4. Responding to Global Issues

### *(1) Environmental Conservation*

Environmental problems such as global warming may threaten the very existence of mankind. In many developing countries, environmental problems are now jeopardizing the foundations of development. Environmental problems include serious environmental pollution as a result of the process of economic growth and rapid degradation of the natural environment as a result of population growth and poverty. These problems pose challenges that call for a global, coordinated response. DAC's Development Partnership Strategy contains concrete goals for formulating national strategies for environmental conservation and reversing the depletion of environmental resources.

Global environmental problems have been assigned the highest priority in Japan's diplomatic agenda.<sup>14</sup> Through its own experiences, Japan has learned much about developing technologies for pollution control to achieve economic growth while preserving the environment. Both Japan's experiences and technologies can play a significant role in promoting social and economic development and in achieving sustainable development in developing countries. Japan will support the environmental programs and efforts of developing countries and assist in the enhancement of their environmental capacities. Moreover, cooperation and collaboration with local governments and NGOs on issues regarding environmental conservation will be of vital importance.

In light of the above, Japan will provide the following forms of support.

- In accordance with the basic principles and action program of the "Initiatives for Sustainable Development toward the 21st

Century” (ISD), announced by Japan in the United Nations General Assembly Special Session on the Environment and Development held in June 1997, Japan will continue to actively support programs and countermeasures in the following areas: (a) air and water pollution and waste disposal, (b) global warming, (c) conservation of the natural environment and sustainable management of forest resources, (e) “fresh water” issues, and (f) environmental awareness building and strategic studies.

- With regard to global warming, Japan will continue to actively promote the objectives of the Kyoto Initiative (providing assistance to developing countries for combating global warming),<sup>15</sup> as it announced at the third session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in December 1997.
- Japan will pay special attention to projects related to environmental conservation, through the provision of ODA loans on concessional terms.

## *(2) Population and AIDS*

The continued growth of world population<sup>16</sup> stands with the global environment, food, and energy as critical global-scale issues. Moreover, in many developing countries, population growth is directly linked to the problems of poverty, unemployment, starvation, lack of education, and deterioration of the environment. Similarly, the international spread of HIV/AIDS<sup>17</sup> presents a serious obstacle to development in developing countries by severely undermining people’s health and their ability to work.

In response to these problems, Japan announced the launching of its “Global Issues Initiative on Population and AIDS” (GII)<sup>18</sup> in 1994

and has been actively involved in these fields. Japan is also contributing to the international fight against AIDS, primarily through its support of the United Nations AIDS Program (UNAIDS).

In light of the above, Japan will provide the following forms of support.

- Based on the objectives of GII and from the perspective of reproductive health, Japan will work on a comprehensive approach that includes: direct assistance for population control and family planning; indirect assistance through the provision of primary health care services and elementary and secondary education for women and children; and support for the empowerment of women.
- As these initiatives necessitate finely tuned grassroots efforts, Japan will further its collaboration with local governments and NGOs.
- With regard to AIDS, Japan will further its cooperation with UNAIDS and contribute to the international fight against AIDS. Japan will also strengthen its bilateral collaboration with other major donor countries and with international organizations.

## *(3) Food*

Projections indicate that the rapid growth in world population and changing diets will result in a significant increase in food demand. Conversely, a slowdown in the growth of food production has been noted. The stability of food supplies is further complicated by such problems as continued soil degradation, limited water resources, climate change, and abnormal weather conditions.

Participants in the World Food Summit held in 1996 announced that they would cooperate in achieving global food security and halving the malnourished population of the world by 2015.

In view of this goal, it is necessary for Japan to actively support developing countries in their efforts to increase food production. Furthermore, assistance for the agricultural sector, including assistance for food production and rural development, can play a crucial role in reducing poverty and achieving sustainable development.

In light of the above, Japan will provide the following forms of support.

- Japan will provide materials and equipment for food production and support agricultural and fisheries production through the construction of irrigation and other facilities. In addition, Japan will support infrastructure development and distribution management for improving access to markets.
- Japan will emphasize support for varietal improvement and other agricultural and fishery technologies, and will provide assistance for the effective dissemination of these technologies.
- Japan will pay special attention to the organization of local residents and the improvement of administrative capacities with regard to the dissemination of agricultural and other technologies and the management of agricultural and other water resources.
- Japan will appropriately utilize food assistance as an important measure in cases of emergency.

#### *(4) Energy*

Global energy demand is projected to increase sharply as a result of economic development in Asia and other developing regions. As such, energy problems constitute a global-scale policy issue that is closely related to the response to global environmental problems and the achievement of sustainable development. Moreover, in many developing countries, securing access to adequate energy supplies constitutes a vital challenge in the realization of

economic development. As Japan is heavily dependent on the importation of energy and mineral resources, the provision of assistance in these fields is important for Japan from the perspective of ensuring stable resource supplies.

In light of the above, Japan will provide the following forms of support.

- Japan will provide assistance to energy-related infrastructure projects that cannot readily attract private-sector investment and other official flows (OOF), including oil, natural gas, electric power, and liquefied coal development projects. Japan will also step up its support for the achievement of sustainable development through energy saving.
- To reduce the emission of greenhouse gases by developing countries while achieving sustainable development, Japan will support the following measures: energy saving, the utilization of solar and wind power and other renewable energy sources, the introduction of coal-related technologies with reduced environmental burden, and the preservation and development of forests as a source of firewood.
- In the area of mineral resources, Japan has provided technical and financial support for mining projects in major supplying countries while paying due attention to environmental concerns. With the growth of regional and international interest in environmental problems, Japan will continue to provide assistance and support, including support for environmental impact studies of mining projects.

#### *(5) Drug Abuse*

Both developed and developing countries face the issue of drug abuse. It is also essential to mount an internationally coordinated fight against drugs that includes the cooperation of



pertinent international organizations. Drug abuse in developing countries is linked to the problem of poverty. As such, the fight against drugs must be pursued in combination with poverty alleviation measures. Based on this understanding, Japan has supported such activities as seminars on the prevention and control of drug abuse and drug-related crimes, the acceptance of overseas trainees, the promotion of substitute crops, and various related educational activities.

In light of the above, Japan will provide the following forms of support.

— Japan will continue to cooperate with international initiatives to mount an effective fight against drugs. Japan will also emphasize support for improved crime-prevention and crime-control capabilities of authorities, cultivation of substitute crops, educational activities, and projects directly linked to raising living standards in drug-producing regions.

#### 5. Support for Overcoming the Asian Currency and Economic Crisis and Promotion of Economic Structural Reform

In the course of the East Asian currency crisis that began in the summer of 1997, developing economies were seriously affected by the vast and rapid exit of private funds. The impact of this crisis extended to Japan and the remainder of the world's economy. The emergency financial needs of Asian countries were met by the flow of official funds, including the facilities of the New Miyazawa Initiative (launched in October 1998), and the Asian economies are now stabilizing. In addition to these emergency measures, structural reform must be supported for sustaining recovery over the medium term in order to realize a strong recovery in real economic activities. Moreover, in view of the mutually important ties between Japan and this

region, such assistance will serve to bolster the Japanese economy as well. Furthermore, encouraging the flow of private funds to these countries and supporting their economic recovery will also contribute to achievement of sound and sustainable global economic development.

In light of the above, Japan will provide the following forms of support.

— Japan will continue its support for infrastructure development, technology transfer, development of small- and medium-sized enterprises, and the nurturing of supporting industries, while emphasizing coordination and the division of roles and responsibilities with other official flows.

— Japan will cooperate with international financial institutions to return Asian and other developing countries to a path of economic reconstruction. Similarly, to achieve a recovery in real economic activities in developing countries, Japan will focus on supporting vulnerable members of society through the development of social safety nets and will also provide support for institutional transformation, including the reform of legal systems, the financial sector, and various economic systems.

— As the rehabilitation of industries is an urgent issue, Japan will utilize the Special Yen Loan facilities to undertake infrastructure projects with outstanding economic-stimulation and employment-creating effects. Japan will support economic structural reform through these facilities, which are aimed at creating a more attractive economic environment for private investment and improving productivity.<sup>19</sup>

— In addition to coping with the crisis, Japan will support preventive measures such as the reinforcement of domestic financial systems, the training of core personnel, and

the improvement of corporate management and technical capabilities.

## 6. Conflict, Disaster, and Development

### *(1) Conflict and Development*

The end of the Cold War did not bring an end to the regional conflicts that continue to create serious human rights problems and wreak havoc on the environment, thereby eroding the gains of past development efforts. Conflict prevention, conflict resolution and post-conflict peacekeeping and reconstruction represent crucial challenges to the global community. For example, Japan has provided assistance to the Palestinian people in connection with the Middle Eastern peace process.<sup>20</sup> Henceforth, Japan must play an active role in conflict prevention and post-conflict reconstruction.

In light of the above, Japan will provide the following forms of support.

- For the purpose of conflict prevention, Japan will emphasize measures aimed at the problems of poverty and socially vulnerable populations which provide the backdrop for conflict. Similarly, Japan will focus on “good governance,” including the equitable and appropriate distribution of resources; the protection of human rights; the establishment of appropriate political and economic systems and processes; and the reinforcement of administrative capacities.
- With regard to the problem of refugees resulting from conflicts, Japan will actively provide emergency humanitarian aid to assist neighboring countries affected by the influx of refugees.<sup>21</sup> In this process, Japan will pay due attention to the important role played by NGOs.
- With regard to post-conflict peace-keeping and reconstruction, Japan will actively support the resettlement and social rehabil-

itation of refugees and former combatants.

- Japan will support the establishment of equitable political and economic systems and the reinforcement of administrative capacities. Similarly, Japan will provide assistance for the development of infrastructure indispensable to national integration and economic reconstruction.

Anti-personnel landmines placed in regions of conflict and left underground present a serious and indiscriminate threat to the general populace. They are a grave concern, not only because they have been causing indiscriminate and various casualties among civilians but they also present a serious barrier to post-conflict reconstruction and development, thereby preventing the resettlement of people and rural development, among other problems. In March 1997, Japan hosted the Tokyo Conference on Anti-Personnel Landmines which resulted in the “Tokyo Guidelines,” including the ultimate goal of achieving “Zero Victims.” In December 1997, Japan proposed its “Zero Victim Program”<sup>22</sup> for the clearance of anti-personnel landmines and the support of victims.

In light of the above, Japan will provide the following forms of support.

- Japan will support landmine clearance through the provision of clearance-related equipment and other measures.
- Japan will act to strengthen emergency medical and rehabilitation systems.
- Japan will provide support to landmine victims through social rehabilitation and job training programs.
- Japan will emphasize cooperation with other donor countries, international organizations, and NGOs.

### *(2) Disaster Prevention and Post-Disaster Reconstruction*

Natural disasters can destroy the livelihoods of

people and most seriously affect impoverished persons, whose livelihoods are particularly vulnerable. Abnormal climatic conditions in recent years have increased the incidence of natural disasters throughout the world. Japan has dispatched 46 Japan Disaster Relief Teams to 23 countries to provide emergency disaster aid and to cope with disaster-related humanitarian problems.

In light of the above, Japan will provide the following forms of support.

— Drawing on its own experiences in countermeasures against landslides, floods, earthquakes and tidal waves, Japan will continue to actively provide emergency assistance for disasters and support for post-disaster reconstruction through the dispatch of Japan Disaster Relief Teams and other means. Japan will also provide support for disaster prevention and land preservation.

## 7. Responding to Issues of Debt Relief

The economic development of the least developed countries of sub-Saharan Africa is seriously hampered by the problem of outstanding foreign debt, presenting a problem that cannot be ignored by the international community. Japan has provided active support for debt rescheduling and grant aid for debt relief.<sup>23</sup>

In light of the decision taken at the Cologne Summit in June 1999<sup>24</sup>, Japan will cooperate with other donor countries and international organizations to provide assistance for the resolution of the debt problem so that heavily indebted poor countries (HIPC) and other low-income countries may achieve long-term economic self-reliance.

In light of the above, Japan will provide the following forms of support.

— While emphasizing the efforts of debtor countries to repay their debts, Japan will extend substantial debt relief through

rescheduling and grants-in-aid to cover repayments based on the international framework.

- Efforts will be made to allocate funds freed through debt relief to development goals, such as the alleviation of poverty; the provision of education, health, medical, and other social investments; and the creation of employment opportunities.
- As a rule, financial cooperation after debt relief will take the form of grants, as the provision of new loans is unlikely after debt relief.
- Japan will actively undertake technical cooperation (human resources development and intellectual support) to enhance debt-management capacities and facilitate appropriate macroeconomic management.
- Henceforth, Japan will exercise greater caution in the provision of ODA loans and will pay greater attention to the developmental stage and debt-servicing capabilities of recipient countries, while taking into careful consideration the development plans of the developing countries and Japan's own ODA policies.

## III. PRIORITY ISSUES AND SECTORS BY REGION

---

Japan has extended ODA to more than 150 countries and ranked as the top bilateral donor to 47 of these countries in 1996.<sup>25</sup> Through ODA, Japan has made a major contribution to the development of numerous countries. For reasons of geographic proximity and historical and present ties, Japan's ODA assistance has traditionally been focused on the Asian region and will remain focused on those countries with whom Japan maintains close relations. At the same time, given the global expansion of economic interdependence and the need to take



concerted international action to cope with such global-scale challenges as humanitarian problems and the maintenance of international stability and prosperity, Japan will continue its extension of aid to regions outside Asia.

### 1. East Asia

East Asia is a region of special focus for Japanese ODA, with Japan accounting for nearly 60% of the total bilateral aid to this region provided by DAC member countries during the five-year period beginning in 1992. Over the years, Japanese ODA has made a major contribution to economic growth in this region through human resources development and social and economic infrastructure building. Similarly, Japan has contributed to alleviating the problems of poverty and environmental pollution through its assistance for social development and environmental conservation.

Japan enjoys close economic and other forms of ties with East Asia and will continue to provide appropriate forms of assistance in line with the highly diverse levels of income, progress made toward market economy, the social situation, and the natural environmental conditions found among these countries. Southeast Asian countries have enjoyed high rates of economic growth in recent years, and it is highly important for Japan to provide assistance that will help these countries overcome their current difficulties, achieve economic recovery and maintain political and social stability. It is necessary for Japan to provide assistance designed to alleviate poverty and to support continued economic growth and the transition to market economies in low-income countries. China has a population of more than 1.2 billion and its development will have a major global impact. Therefore, it is important for Japan to support China's Open and Reform Policy while encouraging it to become a more

constructive partner in the international community. Japan's assistance to China should also be focused on its efforts, such as the elimination of regional disparities and environmental problems. Recent developments in East Asia indicate a movement toward closer regional cooperation and a regional approach to development. Moreover, East Asia is witnessing the appearance of "emerging donors" who are starting their own programs for assistance to developing countries. It is necessary for Japan to provide appropriate forms of assistance to support and promote these positive developments.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for economic structural adjustment to overcome the economic crisis and to achieve economic recovery.
- (2) Japan will provide active support to the socially vulnerable to improve their living standards and domestic conditions.
- (3) Japan will provide support for human resources development and institutional building to promote the development of supporting industries and appropriate social and economic management.
- (4) Japan will adjust its assistance to poverty alleviation programs, social and economic infrastructure development, environmental protection, and agricultural and rural development projects to conform to the needs and conditions of individual countries.
- (5) Japan will provide support for regional development initiatives such as ASEAN regional cooperation, APEC, Mekong basin development and for "South-South cooperation."<sup>26</sup>

### 2. Southwest Asia

Southwest Asia is home to the largest popu-

lation of impoverished people in the world.<sup>27</sup> With the goals of the Development Partnership Strategy in mind, Japan will continue to focus on the region's poverty problems, provide assistance designed to encourage economic liberalization in the countries of the region, and promote regional cooperation based on economic cooperation. Following underground nuclear testing by India and Pakistan in May 1998, Japan had no alternative but to fundamentally review its assistance policies toward both countries. In continuing to seek positive reactions from India and Pakistan in the area of nuclear non-proliferation, it is necessary for Japan to continue dialogue with both nations.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for alleviating poverty and ensuring the livelihood of the poor (focusing on assistance for basic human needs, including health and medical services, primary education, and agricultural and rural development).
- (2) Japan will provide support for human resources development and social and economic infrastructure development in order to revitalize private-sector activities and to create a more attractive environment for foreign investment.
- (3) Japan will provide support for environmental conservation to cope with the increasing environmental burden created by population and economic growth.

### 3. Central Asia and the Caucasus

Since the collapse of the Soviet Union, the countries of this region have pursued democratization and the establishment of market economies. However, the region remains beset by political and economic instability caused by vulnerable economic structures, growing un-

employment and social instability, ethnic conflicts, and territorial disputes. Japan has actively endeavored to assist this region and was successful in calling for the inclusion of these nations into DAC's list of aid-receiving countries. In view of the geopolitical significance of this region and the importance of access to its energy resources, it is vital for Japan to continue to promote its "Silk Road diplomacy"<sup>28</sup> and provide support for the achievement of stability in the region.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for social and economic infrastructure development to help build the foundation for self-reliant economic development.
- (2) Japan will provide assistance for human resources development and institution building to support the process of democratization and transition to market economies.
- (3) Japan will provide support for the alleviation of social problems and difficulties encountered in the process of reform and for the transition from the negative legacy of the Soviet period (e.g. support for environmental pollution countermeasures and for radiation victims of Semipalatinsk).

### 4. The Middle East

As Japan's principal source of petroleum imports, the Middle East is an extremely important factor in Japan's economic stability. Furthermore, developments in the Middle East peace process and the situation regarding Iraq could have a major impact on world peace and stability. Japan continues to actively provide support for the social stabilization of this region and for the improvement of the environment for peace. Adequate access to water resources constitutes a critical factor in maintaining the

region's stability. While the countries of the Middle East, consisting of both oil-producing countries and less-developed countries, represent a diverse range of economic conditions, the training of domestic engineers and other human resources stands as a critical challenge in the strategies for economic diversification and development of non-petroleum sectors.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for the Middle East peace process (through assistance to the Palestinians as well as to neighboring Arab countries and support for initiatives related to multilateral negotiations).
- (2) In relatively low-income countries, Japan will provide support for social and economic infrastructure development, including agricultural and water-resources development.
- (3) In the relatively high-income Gulf states, Japan will provide technical cooperation for the training and education of domestic engineers for the achievement of economic diversification and the development of non-petroleum sectors and provide appropriate support for the development of a favorable environment for attracting foreign investment.
- (4) Japan will provide support for environmental conservation measures in relatively high-income countries and other countries as well.

## 5. Africa

Various favorable developments have been witnessed in Africa during recent years. These include moves toward democratization, greater stability in southern Africa, and a growing number of countries enjoying steady economic growth. However, numerous African countries

continue to face serious problems that hamper their development. These include exclusion from the process of economic globalization, local conflicts, and the spread of AIDS. The majority of African countries are LLDCs, and many are heavily indebted poor countries. It is widely acknowledged that support for efforts toward the resolution of the problems of Africa calls for a concerted international effort.

Japan is committed to reinforcing this awareness and to working toward the establishment of international partnerships to support the self-help efforts of African nations. For this purpose, Japan, in collaboration with the United Nations and other organizations, hosted the Second Tokyo International Conference on African Development (TICAD II) in Tokyo in October 1998.

Based on the policies enunciated in the Development Partnership Strategy, TICAD II produced the "Tokyo Agenda for Action," featuring a commitment to developing the self-reliance of African countries, strengthening cooperation and coordination with the industrial countries and international organizations, and promoting Asian-African cooperation. Henceforth, it is the responsibility of both African countries and the international community to act on the "Tokyo Agenda for Action" and realize its goals. It is important for Japan to coordinate its assistance efforts with international initiatives, such as the Special Program of Assistance for Africa (SPA) which the World Bank and other donors are promoting.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for poverty alleviation, social development<sup>29</sup>, and the countering of desertification.
- (2) Japan will provide support for human resources development and capacity building

in policy formulation and implementation.

- (3) Japan will provide support for the development of the private-sector, industry, and agriculture for the achievement of economic self-reliance in Africa (e.g. transfer of the results and experiences of Asian development to Africa through South-South cooperation, basic infrastructure development for improved productivity in agriculture and other industries, and intra-regional cooperation).
- (4) Japan will provide support for democratization, conflict prevention and post-conflict reconstruction in order to provide the foundation for African stability.
- (5) Japan will provide support for the reduction of debt burdens (taking into consideration the commitment of the debtor country toward structural reform when making decisions on assistance).

## 6. Latin America and the Caribbean

Since the beginning of the 1990s, Latin American countries have achieved significant progress as emerging market economies through the process of democratization and economic reform. Food- and energy-resource rich countries can look forward to the further development of countries in this region in the 21st century as strategic suppliers of food and energy resources.

The large number of Japanese migrants and their descendants have played an important role in promoting development in Latin America. In view of the fact that these migrants traditionally have acted as bridges between Japan and Latin America, it is important for Japan to support their efforts.

In view of the development of Pan-Pacific cooperation in recent years, the provision of assistance to the Pacific Basin region is growing in importance. Furthermore, due attention

should be paid to the fact that effective support for promoting regional integration is needed in the Southern Cone common market (MERCOSUR), as well as in the Caribbean and Central American countries.

It must be borne in mind that economic development and democratization can be seriously hampered where basic social and economic infrastructures remain underdeveloped and extremes of wealth and poverty persist.

The Central American countries that sustained heavy hurricane damage during 1998 require support for the urgent task of restoration and reconstruction.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide active support for democratization and economic reform.
- (2) Japan will provide support for environmental conservation to protect the natural environment and to cope with the increased environmental burden resulting from economic growth.
- (3) Japan will provide support for the alleviation of poverty by assisting basic education programs, health and medical services, agriculture and rural development, and the development of a basic infrastructure for the reduction of regional disparities.
- (4) In relatively low-income countries, Japan will provide support for the development of the social and economic infrastructure in order to revitalize the private sector and promote overseas investment.
- (5) Japan will promote regional cooperation, including human resources development and technology transfer which targets two or more countries.

## 7. Oceania

Japan enjoys close ties with the Pacific island countries and depends on these countries for supplies of marine and forestry products. Because of their extremely small national scales and their marked dependence on primary products, these countries are particularly vulnerable to natural disasters, fluctuations in the international prices of primary products and other external factors. Development is further hampered by other factors, such as the dispersion of landmass over large areas, the limited scale of domestic markets and the distance from international markets. The provision of adequate health care services also poses a difficult challenge. On the other hand, the vast area of exclusive economic waters held by these island nations establishes them as promising sources of marine products and underwater mineral resources.

The countries of the region share an awareness of the need to achieve economic self-reliance through economic reform and private-sector development and are involved in reforming their fiscal and administrative systems.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for social and economic infrastructure development (including health care services) to provide a foundation for social and economic activities and to overcome such island-nation problems as dispersion and geographic isolation.
- (2) Japan will provide support for economic structural reform.
- (3) Japan will provide support for human resources development for developing the private sector.
- (4) Japan will provide support for environmental conservation.

- (5) Japan will promote regional cooperation, including the use of remote education for human resources development and technology transfer which targets two or more countries in the region.

## 8. Europe

Many of the former Soviet-bloc countries of Central and Eastern Europe are currently in the process of transforming to market economies, and it is necessary to support the efforts of these countries. The achievement and maintenance of peace through post-conflict restoration and reconstruction, such as in the former-Yugoslav region, constitutes an international challenge to which Japan will provide its share of assistance.

In light of the above, Japan will provide assistance and support while emphasizing the following points.

- (1) Japan will provide support for the transition to a market economy, for environmental conservation, and for infrastructure restoration and development.
- (2) Japan will provide humanitarian aid to refugees, economic and social infrastructure development for the promotion of restoration and reconstruction, assistance in the area of basic human needs, and support for the implementation of elections in the former-Yugoslav region and neighboring countries.

## IV. METHODS OF AID

---

Implementation of ODA calls for collaboration and coordination among government ministries and agencies, as well as the active utilization of the experience and know-how of the private sector, NGOs, local governments, labor and management groups, and other entities. Likewise, active measures will be taken to promote cooperation and collaboration with



other donor countries and international organizations. Furthermore, active support must be given to encouraging and expanding South-South cooperation.

### 1. Coordination of ODA Programs within the Japanese Government, among Implementing Agencies and with Various Schemes for Aid

- A more effective and efficient system for collaboration and coordination covering the entire government will be created by promoting the sharing of information and a better mutual understanding among government ministries and agencies involved in ODA, through upgrading the level of communications (e.g. the improvement of liaison meetings) among government offices.
- The advantages of the various forms of financial and technical cooperation will be optimally utilized while promoting organic interaction among them. In this process, grassroots grant aid deserves special attention as a form of assistance that directly reaches the people of the recipient country. As such, efforts will be made to expand and more effectively utilize grassroots grant aid for projects, while paying due attention to synergy with other forms of assistance.
- The implementation of cooperation will be centered on the Japan International Cooperation Agency while fully utilizing the knowledge, know-how, and personnel of various government ministries and agencies. Efforts will be made to achieve effective and efficient collaboration and coordination between the Japan International Cooperation Agency and various government ministries and agencies.

### 2. Coordination with Other Official Flows (OOF) and with the Private Sector

Private-sector trade and investment is playing

an increasingly important role in the economic development of developing countries. In light of this fact, due attention will be paid to the following points.

- Due attention will be paid to the division of roles and responsibilities with non-ODA other official flows (OOF),<sup>30</sup> trade insurance, and private funds based on their respective objectives, while taking into account the needs and conditions of individual countries.
- Efforts will be made to fully utilize the knowledge and know-how of the Japanese private sector in promoting collaboration with the private sector and due attention will be paid to increasing opportunities of Japanese businesses to participate in ODA projects.
- With regard to developing countries that have achieved accelerated economic growth and that are experiencing substantial inflows of private funds, projects suited to private-sector investment and OOF will be consigned to such forms of cooperation or activities. ODA will be focused on social development and poverty alleviation and will also emphasize the following points.
  - Assistance will be provided to economic infrastructure projects that are unsuited to private-sector investment or OOF.
  - To promote private-sector investments in projects with strong impacts on development, assistance will be provided to project portions implemented by government organizations in the implementation of tasks deemed necessary for the execution of private-sector initiative projects.
  - Support will be provided for the strengthening of human resources de-

velopment and policy formulation capacity building that contributes to market economy management.

- Support will be provided to strengthen industrial structure through the development of small- and medium-sized enterprises.
  - Support will be provided for correcting distortions caused in the process of economic development, including environmental problems and regional disparities.
- With regard to developing countries whose private sectors are not fully functional, emphasis will be placed on ODA projects promoting the development of the private sector. Such initiatives would include infrastructure development for improving the investment environment and areas conducive to the development of the private sector, such as the development of institutions and systems, the upgrading of policy formulation capacities, the development of other private-sector capacities, and the development of basic human resources.
- The Japan Bank for International Cooperation, to be established in October 1999 through the merger of the Export-Import Bank of Japan and the Overseas Economic Cooperation Fund, will draw on the information and know-how accumulated in both organizations to provide more effective assistance by designing ODA projects to match the social and economic conditions in the recipient countries and the special properties of the ODA project. In this way, the Japan Bank for International Cooperation will endeavor to add to the flexibility and efficiency of Japan's contributions to the international economic community. However, the Japan Bank for International Cooperation will clearly sep-

arate its ODA and non-ODA accounts.

### 3. Support to and Collaboration with NGOs

Social development projects, including poverty alleviation and environmental conservation, constitute a steadily increasing share of Japan's overall assistance to developing countries. For this reason, there is a growing demand for finely tuned assistance that directly reaches local populations. Consequently, NGOs have been playing an increasingly important role in the process of economic cooperation and there is a growing need for collaboration with NGOs in the implementation of ODA projects.

In light of the above, due attention will be paid to the following points.

- Efforts will be made to develop a dialogue and exchange views and ideas with NGOs active in developing countries, through such venues as the "NGO-Ministry of Foreign Affairs Regular Consultation Meeting" and the "NGO-JICA Consultation Meeting."
- Efforts will be made to increase and enrich ODA support for NGO aid activities.
- Collaboration and cooperation with NGOs will be strengthened through various means, such as the contracting-out of projects and the utilization of NGO personnel and know-how.
- Support will be provided to strengthen the base of Japanese NGOs involved in the implementation of aid activities.
- Efforts will be made to promote the participation of persons with experience in the Japan Overseas Cooperation Volunteers and NGO activities, in the implementation of ODA projects.

It is necessary to strengthen collaborative relations with local governments that have a wealth of technical know-how and experiences

in fields closely linked to everyday life of the people or that are involved in personnel exchanges with developing countries through sister-city arrangements. The active utilization of the know-how of local governments can facilitate more effective assistance and is extremely beneficial in terms of developing public participation in aid activities.

In light of the above, due attention will be paid to the following points.

— Efforts will be made to actively utilize the experience, know-how, and personnel of local governments and to effectively support the cooperative activities of local governments.

#### 4. Coordination with Other Donor Countries and International Organizations

In order to achieve greater effectiveness and efficiency in ODA implementation, it is necessary for Japan to develop closer ties of collaboration and cooperation with other donor countries and international organizations. Such initiatives must go beyond the avoidance of redundancy in aid and must aim to achieve significant synergy. In this process, it is also important to assist developing countries to enhance their coordinating capacities as aid recipients.

In light of the above, due attention will be paid to the following points.

— As a leading contributor of funds to international organizations, Japan will endeavor to take greater initiative and to influence the management of these organizations in the direction of its basic policies.

— Japan will pursue the possibility of collaboration and cooperation with other donor countries and international organizations in fields where those countries and organizations are especially experienced and enjoy advantages.

— With regard to the coordination of ODA

programs, Japan will continue to participate in and contribute to existing coordination mechanisms, including sector programs coordination, which center on international organizations, taking into consideration the primary role of recipient countries.<sup>31</sup>

— Japan will actively promote cooperation through collaboration and the exchange of information and opinions with governments of recipient countries, other donor countries, and aid agencies. Japan will also pursue this objective through bilateral consultation with other donor countries, such as through the Japan-US Common Agenda<sup>32</sup>, and through collaboration with international organizations.

#### 5. Support for South-South Cooperation

The development of developing countries is a challenge that should be addressed by the entire international community. As such, donor nations should not be limited to industrial countries. Rather, it is desirable for more advanced developing countries and developing countries with adequate experiences and technologies to actively participate in helping other developing countries. This form of assistance will contribute to bolstering global aid resources and will also stimulate intra- and inter-regional cooperation.

Development assistance provided by developing countries, or “South-South cooperation,”<sup>33</sup> can be particularly effective in facilitating the transfer of technologies between countries at similar stages of development or that have common backgrounds, such as language and culture. Moreover, South-South cooperation can result in significant cost reductions when undertaken between neighboring countries.

In light of the above, due attention will be paid to the following points.



- Japan will actively support South-South cooperation, as this is a form of international cooperation in which the developing countries are taking the initiative.

## V. POINTS TO BE FOLLOWED IN THE IMPLEMENTATION AND MANAGEMENT OF ODA

---

### I. Understanding of the Conditions in Individual Developing Countries and the Formulation of Country Assistance Programs

- To enhance the impact of ODA, Japan will endeavor to develop a better understanding of the specific conditions in individual developing countries and to provide forms of assistance that match the needs and conditions of developing countries. For this purpose, Japan will actively undertake various types of studies and promote policy dialogue with developing countries.
- Through the coordination of the pertinent ministries and government agencies, Japan will formulate “country assistance programs” based on current “country assistance policies.” These country assistance programs will be formulated for major recipient countries of Japanese ODA and will specify the significance of the assistance provided by Japan, its basic objectives, the priority issues and fields, and the form of assistance to be deployed. These formulations will be based on a time frame of approximately five years.
- Country assistance programs will take an integrated approach to all forms of assistance and will take into account coordination and collaboration with other donor countries and international organizations, and collaboration with the private sector.
- Japanese diplomatic missions and the local

offices of ODA implementing agencies will be more actively utilized, as they are in the best position to grasp the situations of and needs in developing countries.

### 2. Preliminary Studies, Environmental Considerations, Monitoring of Implementation, and Ex-Post Evaluation

#### *(1) Preliminary Studies and Environmental Considerations*

- To enhance the efficiency and effectiveness of ODA, preliminary studies will be conducted in accordance with country assistance programs to identify, formulate, and select appropriate projects. This process will be coordinated by maintaining close contact among related offices and, where applicable, the necessary adjustments will be made to avoid redundancies in preliminary studies conducted by ministries, government agencies, and related organizations.
- When necessary, rigorous examinations will be undertaken in accordance with environmental guidelines to assess the impact of assistance projects on the environment and regional communities. Appropriate measures will be taken in response to the findings. Depending on the assessed environmental impact, a proposed project may be canceled. To ensure that the proposed project contributes appropriately to sustainable development, alternative proposals will be formulated when necessary.
- In taking environmental matters into consideration, due attention will be paid to the importance of local participation and information disclosure in line with existing systems and situations in recipient countries. Procedures and standards pertaining to environmental considerations will be reviewed and improved as necessary.

## (2) *Monitoring*

— Monitoring of project implementation and progress will be upgraded and strengthened. When problems arise during implementation, efforts will be made to achieve the expected results by utilizing various available forms of assistance and by ensuring their coordination.

## (3) *Ex-Post Evaluation*

— Ex-post evaluation of completed projects, including identification and assessment of environmental impact, will be conducted in as many cases as possible, with results being made public.

— To improve the objectivity of the evaluation process, evaluations by experts, NGOs, other third parties, and persons from recipient countries evaluations will be expanded.

— In addition to determining whether a project purpose has been achieved, an evaluation will be directed at the impact on local and regional communities, the environment, and macroeconomic conditions.

— Follow-up actions will be taken as required by evaluation results. Efforts will be made to provide feedback on the evaluation results so that relevant lessons can be incorporated into future project formulation.

— Efforts will be made to create better evaluation systems by developing and introducing effective evaluation methods corresponding to the specific features of assistance projects.

## 3. Human Resources for Development Cooperation

Successful implementation of assistance ultimately depends on the skills of people. Thus, the availability and utilization of individuals

with appropriate skills stands as extremely important requirement for the efficient implementation of assistance. Efficient implementation should involve both the employment of experts with outstanding knowledge and skills in specific fields and undertakings, and the use of local experts with specialized knowledge of local conditions. Furthermore, it is necessary to maintain effective communications and collaborate with personnel on project sites, local executing agencies, and educational institutions.

In light of the above, due attention will be paid to the following points.

— Further efforts will be made to train human resources for development. Personnel exchanges with other donor countries and with international organizations will be promoted, including the dispatch of personnel to international organizations and joint participation in studies. Likewise, personnel exchanges among implementing agencies and educational institutions will be promoted.

— In order to respond more effectively to the growing diversity of demand for assistance and changes in forms and methods of assistance, efforts will be made to train and support individuals with high levels of expertise. University and graduate school internship programs will be utilized for this purpose and the mutual recognition of academic credits among development-related courses will be promoted.

— To ensure access to experts with specialized knowledge and skills, the public recruitment of experts will be stepped up and larger numbers of personnel will be recruited from local governments, NGOs, universities, and other institutions.

— Active use will be made of private-sector consultants and, where necessary, efforts will be made to strengthen their skills.

#### 4. Promoting Public Understanding and Participation

To establish broader understanding and support for ODA, it will be necessary to promote public relations activities, the disclosure of information both domestically and abroad, and enlist the cooperation of the various strata of society and organizations in project implementation. From the perspective of increasing national involvement in and visibility of Japanese aid, it will be extremely important to expand Japan's personnel contribution to the international community by effectively utilizing Japan's own human resources.

In light of the above, due attention will be paid to the following points.

- Efforts will be made to enlist the cooperation and participation of private enterprises, local governments, NGOs, labor and management organizations, and other members of society in the implementation of ODA.
- Given the growing interest of the Japanese public in development assistance, the cooperation and participation of various age groups, extending from youth to senior citizens, will be enlisted in the implementation of ODA.
- In addition to providing support for NGO activities, ODA projects and related tasks will be more extensively consigned to NGOs, universities, think tanks and other organizations. Similarly, efforts will be made to further promote the participation of local governments in development projects.
- Efforts will be made to increase public relations for Japan's ODA activities, both domestically and abroad.

#### 5. Promoting Information Disclosure

Japan's disclosure of ODA information has received high marks in the international community as evidenced by the "Peer Review Report on Japan's ODA"(1995) compiled by the OECD's DAC. However, further progress must be made in disclosing information to the public in order to gain support and understanding.

In light of the above, due attention will be paid to the following points.

- From the perspective of providing access to integrated information, efforts will be made to improve the content of annual reports on Japan's ODA.
- Further efforts will be made to disclose information pertaining to project tender processes and individual projects.
- Transparency of assistance will be improved through the preparation and publication of a long list of ODA loan candidate projects.
- In addition to expanding the scope of information disclosure, efforts will be made to render the information more understandable and easier to use. For this purpose, the available of ODA information over the Internet will be expanded.
- Information will be supplied to the national media as well as to the local media and local communities.
- In view of the fact that the public does not have direct access to overseas ODA sites, efforts will be made to create opportunities enabling the Japanese public to come into contact with ODA projects.

## JAPAN'S MEDIUM-TERM POLICY ON ODA: EXPLANATORY NOTES

### INTRODUCTION

#### *1: Official Development Assistance Charter (ODA Charter)*

The ODA Charter, approved by Cabinet on June 30, 1992, constitutes the most important basic document concerning Japan's ODA policies. It was formulated to clarify Japan's ODA philosophy and principles and is based on past achievements, experiences, and lessons. The Charter consists of six sections covering the following areas: basic philosophy, principles, priorities, measures for effective ODA implementation, measures for promoting understanding and support at home and abroad, and the ODA implementation system. The following four key elements are identified under "basic philosophy": (1) humanitarian considerations, (2) recognition of global interdependence, (3) the importance of self-help efforts, and (4) environmental conservation. Under "principles," Japan commits itself to the following four points while "taking into comprehensive account each recipient country's requests, socioeconomic conditions, and Japan's bilateral relations with the recipient country": (1) environmental conservation and development should be pursued in tandem, (2) use of ODA for military purposes or for aggravation of international conflicts should be avoided, (3) full attention should be paid to trends in recipient countries' military expenditures, their development and production of weapons of mass destruction and missiles, and the export and import of arms, and (4) full attention should be paid to efforts for promoting democratization and the introduction of a market-oriented economy and to the situation regarding the securing of basic human rights and freedoms.

### I. BASIC APPROACHES

#### *2: OECD/DAC "Development Partnership Strategy"*

In May 1996, the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) adopted a document entitled "Development Partnership Strategy (Shaping the 21st Century: The Contribution of Development Cooperation)," which identified certain goals and objectives for development assistance in the 21st century. The document aims to improve the living standards of all humankind and sets forth concrete goals and schedules for the achievement of these goals. The specific goals are as follows: (1) by 2015, a reduction by one-half of the proportion of people living in extreme poverty, (2) universal primary education in all countries by 2015, (3) elimination of gender disparity in primary and secondary education by 2005, (4) reduction by two-thirds in infant mortality rates by 2015, (5) reduction by three-fourths in maternal mortality rates by 2015, (6) access to reproductive health services by 2015, (7) formulation of national strategies for sustainable development by 2005, and (8) reversal of the deterioration in environmental resources by 2015. The document states that cooperation between the advanced and developing countries is indispensable to the achievement of these goals, and emphasizes the importance of global partnership.

#### *3: Least among Less-Developed Countries (LLDC)*

LLDC refers to the least developed group of developing countries and is defined by the United Nations Development Program Committee on the following basis: per capita GDP (below \$899 as of 1999), human resources development (average life expectancy, etc.), and vulnerability of economic structure (share of manufacturing in GDP, etc.). Currently, 48 countries are recognized as LLDCs (33 countries in Africa, eight in Asia, five in the Pacific, and two elsewhere).

### II. PRIORITY ISSUES AND SECTORS

#### 1. Support for Poverty Alleviation Programs and Social Development

##### *4: "20/20 Initiative" for Social Development*

Under this initiative, developing countries are to commit 20% of their national budget, and developed countries 20% of their ODA, to such areas in social development as to be given priority to human development (basic education, basic health services, drinking water, family planning, etc.). Proposed by the United Nations Development Program (UNDP), it was decided at the World Summit for Social Development (hosted by the United Nations in March 1995) that the goals of the 20/20 Initiative would be implemented by countries in agreement with the initiative's objective. Japan has met the goal of this initiative, as the annual share of social development commitments in its bilateral development assistance has exceeded the 20% mark in every year from 1993 to 1998.

##### *5: Initiative for a Caring World*

Proposed by then Prime Minister Hashimoto at the Lyon Summit in June 1996, the "Initiative for a Caring World" is aimed at finding solutions to the problems of various countries by sharing the knowledge and experiences of developed, as well as developing, countries concerning social security policies, covering such areas as public sanitation, health insurance, and pension systems.

Current projects targeting the developing countries include: promoting measures for global parasitic disease control; sharing of knowledge and experiences through international conferences for high-level administrators of social security; and, personnel training, dispatch of experts and acceptance of trainees for promoting the development of social security systems in developing countries.

## 6: *Women in Development (WID)*

WID refers to “women in development.” For details, see section (3) Women in Development (WID)/Gender in Developing Countries.

### (1) Basic Education

#### 7: *Japan's support for construction of school buildings*

In the five-year period beginning in fiscal 1993, Japan provided assistance for the construction of approximately 16,000 school buildings. In Jordan, for instance, ODA loans have been used in the construction of 9% of all primary and secondary school buildings. In Nepal, Japanese grant assistance has been used to provide materials needed for the construction of school buildings, with entire communities participating in the actual construction work. Following this initiative, elementary school enrollment ratios in Nepal climbed from 64% in 1990 to 75% in 1994.

#### 8: *Japan's contributions to United Nations Children's Fund (UNICEF) activities for the education of girls*

Since fiscal 1993, Japan has annually contributed U.S.\$1 million to UNICEF related activities.

### (2) Health and Medical Care

#### 9: *Incidence of polio*

The annual global incidence of polio has dropped from approximately 35,000 cases in 1988 to approximately 3,200 cases in 1998. Japan has identified East Asia and the Pacific region as priority areas for assistance in polio control. Since fiscal 1993, Japan has implemented assistance totaling approximately ¥2.8 billion for providing polio vaccines, cold chain portable refrigerator for vaccines storage, and diagnostic and monitoring equipment. (This assistance amounts to approximately 35% of all assistance provided to these regions in the fight against polio.) As a result of these efforts, polio has been almost totally eliminated from these regions.

## 2. Support for Economic and Social Infrastructure

### 10: *Examples of Japanese assistance in Asia*

In the fields of transportation and communications, Japan's ODA loans accounted for 38% of the total electrification of China's railways, approximately 32% of the construction of the highways in Bangkok, approximately 15% of the installation of all telephone lines in the Philippines, and the construction and expansion of the port of Colombo, which handles approximately 89% of all cargo shipments in Sri Lanka. In the area of energy, Japan has cooperated in the construction of about 24% of all power generating facilities in Malaysia, 18% in Indonesia, 15% in Thailand, 44% in Vietnam, 18% in Bangladesh, and 20% in Egypt. Japanese ODA has accounted for 60% of the water supply facilities in the city of Jakarta, and 56% of the sewerage treatment facilities in the Republic of Korea.

## 3. Human Resources Development and Intellectual Support

### (1) Human Resources Development

#### 11: *Human resources development*

Since 1954, Japan has accepted more than 160,000 trainees. The geographic distribution of trainees accepted during fiscal 1997 (totaling 7,263 persons from 152 countries and regions) is as follows: 6,214 from Asia (50.6% of total), 2,381 from Latin America (19.4%), 1,046 from the Middle East (8.5%), and 1,602 from Africa (13%). Distribution by field is as follows: 2,440 in human resources development (19.9% of total), 2,340 in planning and administration (19.1%), 2,049 in public and public-sector enterprises (16.7%), 1,971 in agriculture, forestry and fisheries (16%), 1,398 in health and medical services (11.4%), and 991 in mining (8.1%).

#### 12: *Third-country training*

Third-country training refers to the acceptance of trainees by developing countries under financial and technical assistance from Japan. Such arrangements provide the advantage of training in neighboring countries with similar social and cultural environments. For instance, using technologies transferred from Japan, third-country training was provided in Thailand to trainees from Vietnam and Laos with Japan supporting this transfer of technologies from Thailand to third countries. During fiscal 1997, some 1,836 trainees participated in third-country training programs offered in 23 countries, including Thailand and Singapore in Asia, and Brazil, Chile, and Egypt.

### (3) Support for Democratization

#### 13: *Support for democratization*

At the Lyon Summit held in 1996, Japan announced its initiative for “Partnership for Democratic Development” (PDD) aimed at supporting the democratization of developing countries. Specific forms of assistance include assistance for elections, reinforcement of civil society and human resources development. During the five-year period beginning in



fiscal 1994, Japan has accepted 765 trainees in the field of democratization and has provided financial assistance to elections in 27 countries and regions.

#### 4. Responding to Global Issues

##### (1) Environmental Conservation

###### *14: Environmental ODA*

At the 1992 United Nations Conference on the Environment and Development (the so-called “Earth Summit” held in Rio de Janeiro), Japan announced that it would increase its environmental ODA commitments to between ¥900 billion and ¥1,000 billion for the period of fiscal 1992–1996. The actual amount of assistance came to approximately ¥1,440 billion during this period. This trend has continued in recent years. For example, of the 28 projects contained in Japan’s fourth ODA loan package for China, 16 projects are focused on the environment in response to environmental deterioration triggered by economic growth. Japan is also promoting the “Japan-China Environmental Model Cities Plan” (covering the three cities of Chongqing, Gui Yang, and Dalian). The aim of this initiative is to develop successful examples of air pollution control and air quality improvement and present these as model cases for the rest of China.

###### *15: The Kyoto Initiative (Assistance to Developing Countries for Combating Global Warming)*

In view of the third session of the Conference of Parties to the United Nations Framework Convention on Climate Change held in Kyoto in December 1997, Japan committed itself to environmental ODA initiatives focused on the problem of global warming as follows: (1) capacity development in fields relevant to global warming, (2) provision of ODA loans related to global warming on the most concessional conditions, and (3) provision of Japanese technology and experiences (know-how). In fiscal 1998, the most favorable ODA loan terms were applied to 20 global-warming related projects amounting to ¥243.3 billion, while about 1,000 people received JICA technical training in related fields.

##### (2) Population and AIDS

###### *16: Trends in world population*

According to the joint United Nations Population Fund (UNFPA), the world population is projected to grow from about six billion in 1998 to more than eight billion by 2025. Most of this growth will occur in developing countries.

###### *17: People living with HIV/AIDS*

According to the Joint United Nations Program on HIV/AIDS (UNAIDS) and the World Health Organization (WHO), there were approximately 33.4 million people living with HIV/AIDS in the world as of the end of 1998, and approximately 2.5 million people died of AIDS during 1998.

###### *18: Global Issues Initiative on Population and AIDS (GII)*

Japan announced GII as an independent initiative in 1994, which involved the commitment of approximately \$3 billion in population and AIDS-related assistance to developing countries during a seven-year period beginning in fiscal 1994. From the perspective of reproductive health, GII contains direct assistance for population and family planning. In addition, GII supports a comprehensive approach to basic health and medical services, primary education for women and children, and the empowerment of women. In Indonesia, for instance, a project has been implemented that uses “mother and child health handbooks,” which has resulted in lower maternal and infant mortality rates. As of the end of fiscal 1998, the cumulative amount of GII-related assistance reached approximately \$3.7 billion to already exceed the seven-year goal established in 1994.

#### 5. Support for Overcoming the Asian Currency and Economic Crisis and Promotion of Economic Structural Reform

###### *19: Special Yen Loans to assist economic structural reform*

This scheme was announced in December 1998 at the Meeting between ASEAN Heads of State/Government and the Leaders of Peoples Republic of China, Japan, and the Republic of Korea. The aim of the scheme is to stimulate the economies of Asian countries, to promote job creation, and to support infrastructure development conducive to economic structural reform. This program features a special facility of a maximum total of ¥600 billion to be provided over a three-year period on concessional terms. For the time being, the interest rate will be set at 1%, with a repayment period of 40 years.

#### 6. Conflict, Disaster and Development

##### (1) Conflict and Development

###### *20: Japan’s assistance to Palestine*

Over a five-and-half-year period beginning in 1993, Japan provided \$436 million in assistance to the Palestinian people. Assistance was provided through international organizations for strengthening administrative organizations, for the development of water and sewerage facilities, school building and other infrastructure projects, and improvement of edu-

cation and basic health care services. In 1996, Japan began providing direct assistance to the Palestinian Authority and has provided a wide range of assistance toward improving living standards. In October 1997 and June 1998, Japan decided to assist in the construction of ten primary and secondary schools in the Gaza Strip.

*21: Recent Japanese humanitarian aid: aid for Kosovo*

In April 1999, a Japan aid package of approximately \$200 million for Kosovo was channeled through the United Nations High Commissioner for Refugees (UNHCR) and other multilateral and bilateral means. This contribution is intended as humanitarian assistance for Kosovo refugees and displaced persons, assistance for affected neighboring countries, and support for the reconstruction of Kosovo.

*22: Anti-personnel landmine clearance and support for victims*

On a monthly basis, there are approximately 2,000 landmine casualties among non-combatants throughout the world. In September 1997, the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction was adopted. The Tokyo Conference on Anti-Personnel Landmines, held in March 1997, adopted the Tokyo Guidelines for achieving “zero victims.” To work toward the achievement of this goal, in November 1997 Japan announced that it would provide approximately \$10 billion in assistance over a five-year period beginning in 1998.

## 7. Responding to Problems of Debt Relief

*23: Grant aid for debt relief*

In accordance with the resolution adopted in 1978 by the Ninth Trade Development Board (TDB) of the United Nations Conference on Trade and Development (UNCTAD), Japan has been providing grant aid for debt relief to LLDCs with whom Japan has ODA loan arrangements, and to the countries most seriously affected by the oil crisis (MSAC). In the case of LLDCs, whenever repayments are received on ODA loans (according to loan arrangements signed during or before fiscal 1987), Japan provides scheme grants corresponding to the amount of principal and interest payments received. Japan has provided grant aid for debt relief amounting to approximately ¥340 billion in the period between fiscal 1978 and 1998.

*24: Cologne Summit decision on assistance to heavily indebted poor countries*

It was decided at the Cologne Summit that international debt relief should be provided to the most heavily indebted poor countries (HIPC) under the existing framework for international debt relief (the so-called “HIPC Initiative”). The debt reduction ratio was increased to 100% in the case of bilateral ODA, and other measures of debt relief were expanded and improved.

## III. PRIORITY ISSUES AND SECTORS BY REGION

*25: Countries for which Japan is the leading ODA donor (1996)*

Japan is the leading ODA donor for 17 countries in Asia, five in the Middle East, six in Africa, 14 in Latin America and the Caribbean, and five in the Oceania region.

### 1. East Asia

*26: South-South Cooperation*

Refers to economic cooperation provided by relatively advanced developing economies in the South to other developing countries in the South. For details, see section IV, Methods of Aid 5. Support for South-South Cooperation. Third-country training described in explanatory note 11 is a typical form of support for South-South Cooperation.

### 2. Southwest Asia

*27: Impoverished population of Southwest Asia*

The impoverished population of Southwest Asia exceeds 500 million and is larger than that of sub-Saharan Africa (approximately 220 million). Of the seven Southwest Asian countries, four are recognized as LLDCs.

### 3. Central Asia and the Caucasus

*28: Silk Road diplomacy*

The “Silk Road region” covers five Central Asian countries and three countries of the Caucasus. The “Eurasian diplomatic initiative,” announced in 1997 by the then prime Minister Hashimoto, presented Japan’s policy of actively seeking to develop closer ties with this region. The principal points of the initiative are as follows: (1) promotion of political dialogue to strengthen mutual confidence and understanding, (2) economic assistance for supporting regional prosperity and assistance for development of resources, and (3) support for promoting peace through nuclear non-proliferation, democratization, and stabilization.

## 5. Africa

### *29: Support for poverty alleviation programs and social development in Africa*

At TICAD II, held in October 1998, Japan announced that it would provide grant aid amounting to ¥90 billion over a five-year period for education, health and medical services, and water supply development.

## IV. METHODS OF AID

### 2. Coordination with Other Official Flows (OOF) and with the Private Sector

#### *30: Other Official Flows (OOF)*

This refers to non-ODA government-funded economic cooperation provided to developing countries. Included in OOF are export financing and loans for direct foreign investment provided to the private sector by the Export-Import Bank of Japan and the Bank of Japan's purchase of bonds issued by the World Bank.

### 4. Coordination with Other Donor Countries and International Organizations

#### *31: Sector program*

Under this approach, a recipient country takes the initiative in formulating a development plan for a specific sector (such as education, health and medical care). The plan is then discussed by the recipient country and the agencies of donor countries, and necessary adjustments are made.

#### *32: Japan-US Common Agenda*

This refers to common issues identified by Japan and the United States from a global perspective for assisting the development of developing countries. The Common Agenda, launched in July 1993, provides for joint Japan-US action with regard to global-scale problems such as the environment, population, and health and medical services. Currently, various types of projects are being implemented in 18 different fields, which come under the following four major concerns: "promoting health and human development," "responding to challenges to the stability of human society," "protection of the global environment," and "the advance of science and technology." Activities in these fields are reviewed in annual plenary meetings held at the deputy-ministerial level.

### 5. Support for South-South Cooperation

#### *33: Support for South-South cooperation*

Japan has taken advantage of various opportunities to promote South-South cooperation. For instance, Japan held a meeting for "emerging donors" (developing countries who have made progress in economic development and are simultaneously aid recipients and aid donors) to discuss future directions. This South-South Cooperation Meeting was held in May 1998 in Okinawa. At the 2nd International Conference on African Development (TICAD II) hosted by Japan in October 1998, a decision was made to promote Asian-African cooperation as a concrete form of South-South cooperation. In fiscal 1997, Japan contributed \$4 million to the United Nations Development Program (UNDP) to support South-South cooperation through UNDP.



---

# FINAL REPORT OF THE SECOND CONSULTATIVE COMMITTEE ON ODA REFORM

MARCH 29, 2002

**W**hat is currently required of Japan's ODA is to introduce concrete measures to positively draw out the potential eagerness and ability of the Japanese people and to develop these traits. The very focus of the reform is how to reflect, in ODA, the mind, intellect and vitality of the Japanese people directed toward people in developing countries. It is necessary, in addition, to further enhance the transparency of ODA and to ensure accountability to the Japanese people.

This Final Report, the central concept of which is public participation, indicates concrete measures for finding, fostering and utilizing human resources incorporated into ODA. It also proposes that a "Board on Comprehensive ODA Strategy" be established to actively absorb various people's expertise, and to effectively implement ODA on a priority basis. Furthermore, this report seeks a setup for implementing ODA through public participation. The Final Report's proposal consists of the following three recommendations:

- I. ODA totally utilizing the mind, intellect and vitality of the Japanese people;
- II. Prioritized and effective ODA with a strategy;
- III. Drastic improvement of the ODA implementing system.

## I. ODA TOTALLY UTILIZING THE MIND, INTELLECT AND VITALITY OF THE JAPANESE PEOPLE

---

Although the Japanese economy continues to slump, and public interest is focused on domestic issues, the Japanese people's eagerness to help poverty-stricken countries and people has not diminished, as has been seen in its support of reconstruction assistance for Afghanistan.

ODA based on public participation emphasizes the Japanese people's thoughts. It is necessary to strive to set up a mechanism under which the intellect and vitality which are latent in people of various backgrounds and fields can be brought out and reflected in the ODA policy. In order to do so, it is first necessary to incorporate development education,<sup>1</sup> second, to find and foster human resources that will contribute to international cooperation and, third, to create a dynamic mechanism to utilize these human resources.

### I. Finding and Fostering of Development Personnel

Development education can help heighten children's awareness of humanity and the world, and this can promote the understanding

---

1. This term refers to education designed to deepen understanding of the importance of international cooperation and development assistance, and to cultivate an attitude toward participating in international cooperation in some form or other, by informing Japanese students about poverty, starvation and other issues in developing countries, and by promoting them to understand various problems such as development and the environment.

of, and participation in, international cooperation including ODA. Development education can serve as an incubator to foster eagerness for international cooperation. In view of this, it is necessary to provide young people who are willing to participate in international cooperation with opportunities such as internships, training and research, thereby positively rearing development personnel who can take an active role both domestically and internationally in the development field.

With respect to finding and fostering development personnel, the final report of the First Consultative Committee on ODA Reform<sup>2</sup> made concrete proposals including positioning development education in a school education curriculum. This Committee calls for immediate actions to undertake the not-yet enforced tasks and also suggests the following points.

*Reform proposals this committee calls for include actions to:*

- Strive to improve development education in compulsory school education;
- Introduce programs that enable teaching staff engaged in development education to gain actual experience in developing countries, including improvement and reinforcement of the system for special participation of incumbent teachers in the Japan Overseas Cooperation Volunteers (JOCVs), and also set up a mechanism designed to supply information on development education to such teaching staff;
- Take steps to positively utilize those with

experience such as JOCVs, senior overseas volunteers and NGO members in development education throughout Japan;

- Expand internship programs in the Ministry of Foreign Affairs and ODA implementing agencies for a certain period to accommodate those people greatly interested in development and eager to be engaged in development activities in the future;
- Create human resources development programs for undergraduate and graduate students (for instance, allowing universities to recognize and give academic credits for training in developing countries and ODA implementing agencies);
- Establish a quota in the JOCV program for undergraduate and graduate students, and recognize their experience as JOCVs as academic credits.

## 2. Effective Utilization of Existing Human Resources and Technology

In Japan, there has been a growing number of people with expertise and various experience in specific sectors, countries and regions. There are also senior people, who have previously participated in various forms of development activities in Japan and abroad and are willing to continue being active in the field.

It is necessary to immediately build up a system to effectively find, foster and utilise existing human resources. In doing so, partnership with NGOs and enterprises should be strengthened through personnel exchanges. In implementing ODA, the know-how and techniques of NGOs and enterprises should be used.

---

2. This was the report submitted by the Consultative Committee on ODA Reform for the 21st Century (chaired by Mr. Saburo Kawai, Chairman of the International Development Centre of Japan) to the Minister for Foreign Affairs in January 1998. The Committee had been set up as an advisory group to the Minister in April 1997. The report made specific proposals such as formulation of Country Assistance Programs, establishment of setups necessary for the formulation, reinforcement of extensive collaboration among the Government, international organizations and private circles, and human resources development.

Also, a mechanism to absorb the experience and know-how of local governments should be introduced.

*Reform proposals this committee calls for include actions to:*

- Establish a “Human Resources Development Centre for International Cooperation” (provisional name);
- This Centre can provide information on opportunities for employment or participation in international organizations and ODA implementing agencies (including as specialists and JOCVs), and also provide consulting service.
- This Centre will strive to be a link with the Recruitment Centre for International Organizations of the Ministry of Foreign Affairs<sup>3</sup> and other similar organizations managed by NGOs, and efficiently compile a database and serve as a human resources network.
- Expand a quota for public recruitment and entrustment contracts of specialists dispatched by the Japan International Cooperation Agency (JICA), thereby extensively seeking human resources capable of responding to the needs of developing countries;
- Introduce a system to further utilize the excellent techniques of Japanese enterprises in executing ODA, particularly ODA loan, and expand opportunities for enterprises participating in ODA;
- Make further use of the know-how of Japanese NGOs and enterprises in ODA project formation, and proceed with personnel exchanges with NGOs and enter-

- prises, and expand systems to encourage and absorb creativity of NGOs and enterprises;
- Assign those people experienced in specific sectors, countries and regions to related sections of the Ministry of Foreign Affairs and ODA implementing agencies, by using the term-fixed employment system;
- Urge international organizations to positively employ Japanese persons.

### 3. Collaboration with NGOs

The importance of NGOs as partners for ODA has been increasing. It is necessary to clarify the division of roles between the government and NGOs. Hereafter, the government should collaborate with NGOs that have detailed information on and diversified experience in the fields of developing countries, not only in implementation of ODA but also in policy formulation and evaluation. Both the government and the private sector should work together but at the same time compete with one another.

It is recommended that the Government enforce support for NGOs and that the NGOs should make further efforts to strengthen their organisation and capacity, secure their eligibility and augment transparency.

*Reform proposals this committee calls for include actions to:*

- Build a mechanism for collaborating with NGOs familiar with local situations in formulating ODA policies;
- Urge the Ministry of Foreign Affairs and ODA implementing agencies to expand both financial and technical cooperation

---

3. To promote an increase in number and quality of Japanese staff in the U.N., its specialized organizations and other international organizations, this Centre will operate a roster registration system (designed to register in advance CVs of people who want to be employed by international organizations, and provide empty-post information to those qualified for such posts), co-operate with international organizations in their recruitment activities of Japanese, dispatch young officials to international organizations, support Japanese staff working in international organizations and conduct PR activities.

systems, help NGOs build their capacity, and also introduce a more flexible mechanism for supporting NGO activities;

- Urge international organizations to have Japanese NGOs participate in their activities.

#### 4. Securing Transparency

Sufficient transparency must be maintained throughout the entire ODA process, from the selection to the implementation of the projects, as well as the bidding procedures, ex-post evaluation.

It is essential to secure further transparency in order to promote public participation and at the same time ensure accountability to the people.

*Reform proposals this committee calls for include actions to:*

- Further promote disclosure of information at each stage, from selection to implementation, ex-post evaluation and follow-up on projects;
- Reinforce evaluation by a third party at each stage, emphasize the judgment of the “Board on Comprehensive ODA Strategy” (refer to II-1), regarding the priority of ODA projects, introduce a thorough third-party audit system, including audit with no prior notice regarding bidding procedures, and further utilize external knowledgeable people in ex-post evaluation;

- Raise the status of the ODA Annual Report<sup>4</sup> to ODA White Paper, and improve its contents, explaining results and problems of ODA to the public in an easily understandable manner;

- Hold ODA Town Meetings on a regular basis in various parts of the country;

- Increase opportunities for people to visit ODA project sites;

- Promote network-type information disclosure and public relations through the use of the Internet;

- Urge ODA recipient countries to promote disclosure of information.

## II. PRIORITIZED AND EFFECTIVE ODA WITH A STRATEGY

The medium-term ODA policy<sup>5</sup> formulated according to the report of the First Consultative Committee on ODA Reform was too general, so that no specific measures were shown regarding priority areas or problems. As for the present country assistance programs,<sup>6</sup> we cannot state that they have sufficiently focused on priority areas for Japan to tackle.

To indicate the Japanese ODA strategy more clearly, it is necessary to regularly inspect the medium-term ODA policy and also to boldly prioritize country assistance programs. In doing so, it is required to give sufficient consideration to those areas in which Japan can

---

4. The official name of this Report is the “Annual Report on the State of Implementation of Japan’s Official Development Assistance”. Based on the ODA Charter, this Report has been published every year since 1993, as a report on the ODA activities of the entire Japanese Government.

5. The Medium-term ODA Policy was formulated and announced in August 1999, in line with an agreement by the sub committee of the Cabinet Ministers’ Meeting related to overseas economic affairs. Unlike the previous five series of ODA intermediate objectives which ended in 1997, this policy does not uphold any qualitative targets; rather, it indicates the direction of Japan’ ODA for the upcoming five years, and points out the problems for individual sectors and regions.

6. Country Assistance Programs are Japanese aid plans for the upcoming five years. They are a part of efforts for efficiency and transparency improvement of Japan’s ODA, based on recognition of political, economic and social situations of the aid recipient countries, while considering their development programs and problems. As of February 2002, Country Assistance Programs for 12 countries have been announced, including Bangladesh, Ghana, Tanzania and China.

take advantage of its techniques and know-how, and to strive to implement ODA by utilizing Japan's features and advantages.

In recent discussions on ODA, there appears to be an idea "from A to B" (e.g. from quantity to quality, from loan to grant, from hardware to software and from infrastructure to the social sectors). It is also important, however, to adopt an idea of "making overall use of A and B" depending on the actual situation of developing countries, making utmost use of the features of Japan's ODA.

### I. Establishment of a "Board on Comprehensive ODA Strategy"

*Reform proposals this committee calls for include actions to:*

- Establish a permanent "Board on Comprehensive ODA Strategy" which is composed of representatives with various backgrounds, in order to realize public participation in ODA and to enhance the transparency of ODA;
- The Board as the commanding authority of Japan's ODA, consulted by the Minister for Foreign Affairs, will discuss basic ODA policies such as country assistance programs and the significance and the degree of priority of major ODA projects and will make proposals to the Minister. By so doing, the Board will contribute to the reinforcement of the functions of the Ministry of Foreign Affairs, the role of which is to coordinate ODA.
- Another function of the board will be to serve as a catalyst to stimulate public discussions of ODA.
- The Minister, based on the recommendations of the "Board on Comprehensive ODA Strategy", will formulate basic ODA policies and comprehensive ODA strategies (e.g. country assistance programs), and will coordinate ODA of the entire Japanese Government.

### 2. Prioritizing Country Assistance Programs

*Reform proposals this committee calls for include the following actions:*

- The "Board on Comprehensive ODA Strategy" will narrow down the priority areas of aid, while absorbing the experience of experts on specific regions and sectors and reinforcing networks with the various domestic organizations concerned;
- In focusing on country priority areas, the Board will sufficiently consider the needs of the developing countries, study individual country assistance strategies from leading international organizations and donor countries and select those areas in which Japan has comparative advantage.

### 3. Promotion of International Collaboration

*Reform proposals this committee calls for include actions to:*

- Formulate "sector/issues-specific aid principles" by holding policy dialogues with international organizations and donor countries and assessing the needs of ODA recipient countries;
- Re-evaluate development experience in Asia in the form of exchanges of knowledgeable people and symposia, explore forms of development cooperation that match the current situation in developing countries, and disseminate the results of such efforts to the world.

## III. DRASTIC IMPROVEMENT OF THE ODA IMPLEMENTATION SYSTEM

---

What is prioritized and effective ODA that is based on a strategy? It is ODA that maintains



consistency throughout the entire process, from planning to implementation of specific projects or other aspects of “downstream” activities, under the “upper stream” basic policies such as country assistance programs and “sector/issue-specific aid principles”. To ensure such ODA, we have proposed that the “Board on Comprehensive ODA Strategy” be set up. And in order to implement such consistent ODA, it is necessary to expand the efforts we have made so far and to improve the implementation system.

On the other hand, ODA is required to respond flexibly to incidents such as the terrorist attacks in the U.S. and the situation in and around Afghanistan. In addition, problems in developing countries are not limited to social/economic development but include issues such as conflict prevention and peace building that ODA has insufficiently dealt with so far. It is essential to improve the ODA system so that ODA can flexibly cope with these issues.

To ensure that Japan’s ODA responds to the real needs of developing countries and has a great impact, it is essential to find and implement many successful programs and projects, whose important components are not only financial and technical cooperation but also the formation of development strategies and institution/policy building. This means an increase in the proportion of the input of aid implementing staff in Japan’s total ODA activities.

Furthermore, programs and projects that do not match the needs of the developing countries or inflexible systems should be drastically reviewed.

## 1. Securing Consistency

*Reform proposals this committee calls for include actions to:*

- Make ODA consistent by reinforcing links between existing aid mechanisms (grant aid, technical cooperation and ODA loan), and also utilize and expand relevant systems (for instance, sector program development survey<sup>7</sup> to strengthen interface among ODA schemes;
- Call upon embassies in recipient countries to establish a regular consultative council, aimed at promoting tie-ups with implementing agencies and maintaining consistent implementation of country assistance programs, and also call upon embassies to promote communication with local donor communities in collaboration with implementing agencies;
- Urge the Ministry of Foreign Affairs’ organisation that handles ODA policies and individual implementing agencies to consider reorganising their organizations to include country/region-based divisions, in order to ensure consistency from policy planning to implementation of ODA;
- Proceed with transfer of authority and business from policy organizations to implementing agencies.

## 2. Speedy and Flexible Response

*Reform proposals this committee calls for include actions to:*

- Make conditions of aid provision more flexible and streamline and simplify provision procedures in order to expand and reinforce relevant systems, so that ODA can

---

7. This is a survey to conduct adjustment with the governments of recipient countries and other donors with regard to specific sectors, to formulate comprehensive development plans for the sectors and to coordinate implementation between Japanese technical cooperation and financial cooperation in the sectors.

- respond to urgent needs such as conflict prevention and peace building, and also seek closer collaboration with NGOs in order to implement minute assistance that meets a variety of needs on the ground;
- Make procedures for coordination and adjustment of project contents more flexible and above all positively promote transfer of authority and business from Tokyo to local field offices, in order to reinforce local functions and further reinforce local organizations and enable flexible responses (e.g. at donor meetings held locally);
  - Improve the international emergency aid system, including a quicker dispatch of international emergency aid teams and closer collaboration with NGOs.

### 3. Ceaseless Review

*Reform proposals this committee calls for include actions to:*

- Seek further improvement of ODA evaluation, in particular, promote evaluation of technical cooperation that includes JICA experts, standardization of evaluation methods of Ministries and Government Agencies concerned, reinforcement of functions to feed back results of evaluation to policy planning and improvement of aid methods and awareness reform among aid-related persons;
- Incorporate a mechanism to implement technical cooperation in a unified, effective and efficient manner;
- Make an overall review of long established schemes, including a review of the debt-relief scheme;
- Strive to increase the number of policy staff

in implementing agencies so that these agencies are able to participate more actively in institution and policy building of aid recipient countries, and further improve aid staff quantitatively and qualitatively in highly specialized work (in particular, grassroots grant assistance aid, international collaboration at the field level including sector-wide approaches<sup>8</sup> and donor meetings, environmental and social consideration of individual projects, and evaluation).

## IV. CONCLUSION—GOALS OF JAPAN'S ODA

---

Japan has been making ODA contributions for the past 50 years. Japan has strongly depended on overseas nations for resources, energy, markets and others. Therefore, coexistence with the world, and in particular, with Asia, has been an essential requirement for Japan's survival and prosperity. Furthermore, efforts to contribute to the settlement of global issues such as conflicts, refugees, infectious diseases and environmental destruction, have been important conditions for Japan to acquire trust in the international community. ODA has been consistently an important policy measure for Japan to realize these two goals.

The Japanese Government's efforts regarding Afghanistan issues have aroused the Japanese people's interest in ODA, and has made the people realize again that ODA can play an important role as a means of Japanese diplomacy. As such, attainment of the various objectives of ODA and effective utilization of ODA as a diplomatic tool are expected to

---

8. These are assistant methods recently developed by the U.K. and Scandinavian countries, based on the recognition that initial development effects cannot be attained because of uncoordinated assistance by individual donors. Donors formulate an overall policy and strategy for each sector, based on which they individually implement their own assistance.

remain significant for Japan's national interest.

Japan's ODA is currently at a turning point. The era for public participation has entered a new phase. ODA must be based on an ardent wish to see people suffering from poverty in developing countries become able to live suitably as human beings, and to offer a helping hand. The problems are how to translate the wishes of the Japanese people into action and how to create a mechanism whereby people of various backgrounds can participate in ODA activities.

Furthermore, the period of budget increases ended in the late 1990s, and ODA has entered a great transition period in terms of volume. After this Committee announced the Interim Report, the ODA budget was greatly curtailed, much to our regret. However, to live up to the expectation of the international community, and also for the benefit of our own country, it is necessary, even in times of economic and fiscal difficulties, to secure ODA which is commensurate with Japan's economic power and its international responsibility. At the same time, it is necessary to execute ODA, which comes from taxes paid by the people, more efficiently and transparently than ever. The people's vigilance towards ODA has increased. Transparency and efficiency are becoming more and more important.

The Japanese people are searching for a new way of life, one example of which is the active participation of Japanese youth in the

Japan Overseas Cooperation Volunteers (JOCVs). Many young people hope to find value in their lives during the two years in which they are dispatched as JOCVs. More than a few seniors also find new meaning to life by volunteering in developing countries. Japanese NGOs have expanded in this kind of new situation. Local governments, enterprises and universities have also become eager to take part in ODA activities. Public participation is not just a catchphrase. It is the people's voice emerging out of the new-age environment. Public participation in ODA activities will surely provide the stagnant Japanese society with fresh energy and give rise to new pride in the hearts of the Japanese people.

The greatest concern of this Committee has been how to incorporate the Japanese people's participation in ODA. We have envisioned specific frameworks for absorbing valuable knowledge and opinions of the people from various backgrounds and areas. Second, for effective utilization of limited financial resources, we emphasized the importance of formulating Country Assistance Programs that identify priority sectors of ODA into which financial and human resources can be channelled. We also proposed measures to find, foster and utilize those people eager to participate in not only ODA but also in international cooperation. All of these proposals are based on our ardent wish to see as many Japanese people as possible take part in ODA.



## LIST OF ODA-RELATED PUBLICATIONS

Publisher/editor	Title	Language(s)*	Period covered
Ministry of Foreign Affairs	<i>Japan's ODA White Paper 2001</i>	J, E	annual
	<i>Japan's ODA Annual Report (two volumes)</i>	J, E	annual (through 2000)
	<i>Japan's ODA Summary</i>	J, E	annual
	<i>Wagakuni no seifu kaihatsu enjo no jissijokyo ni kansuru nenjihokoku (Annual Report on the Implementation of Japan's ODA)</i>	J	annual (through 2000)
	<i>Annual Evaluation Report on Japan's Economic Cooperation</i>	J, E	annual
	<i>Kokusai kyoryoku plaza (Plaza for International Cooperation)</i>	J	monthly
	<i>A Guide to Japan's Aid</i>	J, E	irregular
	<i>Keizai kyoryoku Q&amp;A (Q&amp;A on Economic Cooperation)</i>	J	irregular
	<i>ODA: Japan's Official Development Assistance</i>	J, E	irregular
	<i>Japan's Support for Democratization</i>	J, E	irregular
	<i>IT: Key to the Economic Development in the 21st Century</i>	J, E	irregular
	<i>Japan's Assistance to Africa</i>	J, E, F	irregular
	<i>Current Situation Regarding HIV/AIDS in Sub-Saharan Africa and Japan's Support</i>	J, E, F	irregular
	<i>Japan's Environmental Cooperation</i>	J, E	irregular
	<i>Japan-China Environment Cooperation</i>	J, E, C	irregular
	<i>Japan's ODA for Caring Societies</i>	J, E	irregular
	<i>Global Issues Initiative (GII) on Population and AIDS</i>	J, E	irregular
	<i>Gender and WID</i>	J, E	irregular
	<i>Polio no nai sekai e (Toward a Polio-Free World)</i>	J	irregular
	<i>Small Arms: Japan's Role in Disarmament and Development</i>	J, E	May 2000
	<i>ODA and NGO: Partnership with Japanese NGOs under ODA</i>	J, E	irregular
	<i>Dare mo ga shiawase ni kuraseru sekai o mezashite (Toward a World in Which We Can All Live Happily)</i>	J	June 2001
JICA	<i>JICA kokusai kyoryoku</i>	J	monthly
	<i>JICA frontier</i>	J	monthly
	<i>JICA network</i>	E, F, S	quarterly
	<i>JICA satellite</i>	J	irregular
	<i>Kaigai iju (Emigration)</i>	J	bimonthly
	<i>Crossroads</i>	J	monthly
	<i>JOCV news</i>	J	semimonthly

\* J=Japanese; E=English; F=French; S=Spanish; C=Chinese; R=Russian

	<i>JICA Annual Report</i>	J, E, F, S	annual
	<i>Jigyo hyoka hokokusho</i>	J	annual
	<i>Kokusai kyoryoku kenkyu</i>	J	semi-annual
	<i>JICA Info Kit</i>	J, E	irregular
	<i>Chikyu kazoku (Global Family): JICA Report (video)</i>	J	weekly
	<i>Hello JICA (pamphlet for the visually and hearing impaired)</i>	J	irregular
	<i>Hito kara hito e: Chikyu ga sasaeru kokusai kyoryoku (People to People: International Cooperation Sustained by the Earth)</i>	J	irregular
	<i>Kokusai kyoryoku jigyodan jissekihyo (Table of JICA's Achievements)</i>	J	annual
	<i>Kokusai kyoryoku jigyodan (ninzu) jissekihyo (Table of JICA's Personnel)</i>	J	annual
JBIC	<i>The Role and Functions of JBIC</i>	J, E	irregular
	<i>Profile: Japan Bank for International Cooperation</i>	J, E, F, S, C, R	irregular
	<i>Homepage annai leaflet (Leaflet Introducing JBIC's Website)</i>	J	irregular
	<i>Development &amp; Cooperation</i>	J	irregular
	<i>JBIC Today</i>	E	quarterly
	<i>Enshakkante nandesuka? (What is an ODA Loan?)</i>	J	irregular
	<i>Enshakkan leaflet (ODA Loan Leaflet)</i>	J	irregular
	<i>Annual Report</i>	J, E, F, S	annual
	<i>ODA Loan Report</i>	J, E	annual
	<i>Operational Guidance on the Preparation of Japan's ODA Loan Projects</i>	J, E	irregular
	<i>Guidelines for the Employment of Consultants under JBIC ODA Loans</i>	E	irregular
	<i>Guidelines for Procurement under JBIC ODA Loans</i>	E	irregular
	<i>Handbook for Procurement under JBIC ODA Loans</i>	E	irregular
	<i>Sample Prequalification Documents under JBIC ODA Loans: Procurement of Work, Major Equipment, Industrial Installations and Turnkey Contracts</i>	E	irregular
	<i>Sample Bidding Documents under JBIC ODA Loans: Procurement of Civil Works</i>	E	irregular
	<i>Sample Bidding Documents under JBIC ODA Loans: Procurement of Goods</i>	E	irregular
	<i>Sample Documents for Selection of Consultants under JBIC ODA Loans</i>	E	irregular
	<i>Sample Bidding Documents under JBIC ODA Loans: Procurement of Civil Works Smaller Contracts</i>	E	irregular
	<i>Evaluation Guide for Prequalification and Bidding under JBIC ODA Loans</i>	E	irregular
	<i>Ex-Post Evaluation Report for ODA Loan Projects</i>	J, E	annual
	<i>JBIC Environmental Guidelines for ODA Loans</i>	J, E	irregular
	<i>Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations</i>	J, E	irregular
	<i>Handbook on Social Dimensions for ODA Loans</i>	E	irregular
	<i>Kaihatsu kinyu kenkyujoho (Report of the Research Institute for Development and Finance)</i>	J	quarterly
	<i>Research Papers</i>	J, E	irregular
	<i>Kokusai kyoryoku binran (Handbook of Overseas Economic Cooperation)</i>	J	annual

---

## ODA-RELATED WEBSITES

### JAPAN

#### *Ministries and Agencies*

Prime Minister of Japan and His Cabinet

<http://www.kantei.go.jp/foreign/index-e.html>

Cabinet Office

<http://www.cao.go.jp/index-e.html>

National Police Agency

[http://www.npa.go.jp/police\\_e.htm](http://www.npa.go.jp/police_e.htm)

Financial Services Agency

<http://www.fsa.go.jp/indexe.html>

Ministry of Public Management, Home Affairs,  
Posts and Telecommunications

<http://www.soumu.go.jp/english/index.html>

Ministry of Justice

<http://www.moj.go.jp/ENGLISH/preface.html>

Ministry of Foreign Affairs

<http://www.mofa.go.jp>

Ministry of Finance

<http://www.mof.go.jp/english>

Ministry of Education, Culture, Sports, Science  
and Technology

<http://www.mext.go.jp/english/index.htm>

Ministry of Health, Labor and Welfare

<http://www.mhlw.go.jp/english/index.html>

Ministry of Agriculture, Forestry and Fisheries

<http://www.maff.go.jp/eindex.html>

Ministry of Economy, Trade and Industry

<http://www.meti.go.jp/english/index.html>

Ministry of Land, Infrastructure and Transport

<http://www.mlit.go.jp/english/index.html>

Ministry of the Environment

<http://www.env.go.jp/en/index.html>

#### *Government-Affiliated Organizations*

Japan International Cooperation Agency (JICA)

<http://www.jica.go.jp/english/index.html>

Japan Bank for International Cooperation (JBIC)

<http://www.jbic.go.jp/english/index.php>

The Japan Foundation

<http://www.jpf.go.jp>

Japan External Trade Organization (JETRO)

<http://www.jetro.go.jp>

Institute of Developing Economies (IDE)

<http://www.ide.go.jp/English/index.html>

#### *International Cooperation Groups*

Association for Promotion of International  
Cooperation (APIC)

<http://www.apic.or.jp/plaza/english/english.htm>

National Graduate Institute for Policy Studies  
(GRIPS)

<http://www.grips.ac.jp/index-e.html>

Foundation for Advanced Studies on International  
Development (FASID)

<http://www.fasid.or.jp>

### OVERSEAS

#### *Government Aid Agencies*

U.S.A.

USAID (Agency for International Development)

<http://www.usaid.gov>

France

AFD (Agence Française de Développement)

<http://www.afd.fr/english/index.cfm>

Germany

BMZ (Bundesministerium für wirtschaftliche  
Zusammenarbeit und Entwicklung)

<http://www.bmz.de/en/index.html>

GTZ (Deutsche Gesellschaft für Technische  
Zusammenarbeit)

<http://www.gtz.de/english>

KfW (Kreditanstalt für Wiederaufbau)

<http://www.kfw.de/EN/Inhalt.jsp>

United Kingdom

DfID (Department for International  
Development)

<http://www.dfid.gov.uk>

- Netherlands  
 Ministry of Foreign Affairs  
<http://www.minbuza.nl>
- Canada  
 CIDA (Canadian International Development Agency)  
<http://www.acdi-cida.gc.ca>
- Sweden  
 SIDA (Swedish International Development Cooperation Agency)  
<http://www.sida.se>
- Denmark  
 DANIDA (Danish International Development Assistance)  
<http://www.um.dk/english/dp/index.asp>
- Italy  
 Ministry of Foreign Affairs (Cooperazione Italiana)  
<http://www.esteri.it/eng/index.htm>
- Norway  
 NORAD (Norwegian Agency for Development Cooperation)  
<http://www.norad.no>
- Australia  
 AusAID (Australian Agency for International Development)  
<http://www.ausaid.gov.au>
- International Agencies*
- ADB (Asian Development Bank)  
<http://www.adb.org>
- AfDB (African Development Bank)  
<http://www.afdb.org>
- CGIAR (Consultative Group on International Agricultural Research)  
<http://www.cgiar.org>
- EBRD (European Bank for Reconstruction and Development)  
<http://www.ebrd.com>
- EU (European Union)  
<http://www.europa.eu.int>
- FAO (Food and Agriculture Organization of the United Nations)  
<http://www.fao.org>
- GEF (Global Environment Facility)  
<http://www.gefweb.org>
- IAEA (International Atomic Energy Agency)  
<http://www.iaea.or.at>
- IBRD (International Bank for Reconstruction and Development)  
<http://www.worldbank.org>
- IDA (International Development Association)  
<http://www.worldbank.org/ida>
- IDB (Inter-American Development Bank)  
<http://www.iadb.org>
- IFAD (International Fund for Agricultural Development)  
<http://www.ifad.org>
- ILO (International Labor Organization)  
<http://www.ilo.org>
- IMF (International Monetary Fund)  
<http://www.imf.org>
- OECD (Organization for Economic Cooperation and Development)  
<http://www.oecd.org>
- UN (United Nations)  
<http://www.un.org>
- UNAIDS (Joint United Nations Programme on HIV/AIDS)  
<http://www.unaids.org>
- UNDP (United Nations Development Programme)  
<http://www.undp.org>
- UNEP (United Nations Environment Programme)  
<http://www.unep.org>
- UNESCO (United Nations Educational, Scientific and Cultural Organization)  
<http://www.unesco.org>
- UNFPA (United Nations Population Fund)  
<http://www.unfpa.org>
- UNICEF (United Nations Children's Fund)  
<http://www.unicef.org>
- UNIDO (United Nations Industrial Development Organization)  
<http://www.unido.org>
- UNHCR (United Nations High Commissioner for Refugees)  
<http://www.unhcr.ch>
- UNRWA (United Nations Relief and Works Agency for Palestine Refugees in the Near East)  
<http://www.un.org/unrwa/english.html>
- UNU (United Nations University)  
<http://www.unu.edu>
- WFP (World Food Programme)  
<http://www.wfp.org>
- WHO (World Health Organization)  
<http://www.who.int>

---

## HISTORY OF JAPAN'S ASSISTANCE TO DEVELOPING COUNTRIES (1945–2001)

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION	WORLD EVENTS CONCERNING ECONOMIC COOPERATION
	Dec. 1945    Bretton Woods Convention comes into effect; International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD, “World Bank”) are founded.
Jul. 1946    Food and medical supplies to Japan under the Government Appropriation for Relief in Occupied Areas (GARIOA) plan begin.	
	Jun. 1947    European Restoration Aid Plan (“Marshall Plan”) is announced.
Aug. 1948    Material supplies to Japan under the Economic Rehabilitation in Occupied Areas (EROA) plan begin.	
	Jan. 1949    US announces Point Four Program.
	Jan. 1949    Council for Mutual Economic Assistance (COMECON) is established by the Soviet Union and East European nations.
	Apr. 1949    North Atlantic Treaty is signed to establish NATO.
Dec. 1950    Export Bank of Japan is founded (renamed Export-Import Bank of Japan in April 1952).	Jan. 1950    Colombo Plan for Cooperative Economic and Social Development in Asia and the Pacific is inaugurated.
	Jun. 1950    Korean War begins.
	Sep. 1951    San Francisco Peace Treaty and Treaty of Mutual Cooperation and Security Between Japan and the United States of America are signed.
Aug. 1952    Japan joins the World Bank and the IMF.	
Aug. 1952    Formulation of a basic reparations policy.	

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Oct. 1953	First loans from the World Bank to Japan are made.		
Apr. 1954	Asian Cooperation Foundation is founded.		
Oct. 1954	Japan participates in the Colombo Plan for Cooperative Economic and Social Development in Asia and the Pacific.		
Nov. 1954	Japan-Burma Peace Treaty and Agreement on Reparations and Economic Cooperation is signed.		
Jul. 1955	Agreement between Japan and Thailand concerning settlement of "Special Yen Problems" is signed.	Apr. 1955	Conference of African and Asian Nations is held in Bandung.
		Sep. 1955	Japan joins the General Agreement on Tariffs and Trade (GATT).
May 1956	Japan-Philippines Agreement on Reparations is signed.	Dec. 1956	Japan is granted membership to the United Nations.
Apr. 1957	Preinvestment basic surveys start (prototype of development studies).		
Jan. 1958	Japan-Indonesia Peace Treaty and Agreement on Repatriations and Economic Cooperation is signed.	Jan. 1958	European Economic Community (EEC) is founded.
Feb. 1958	Yen loans begin (Japan-India Exchange of Notes is signed).	Apr. 1958	First Conference of Independent African Nations is held.
Oct. 1958	Japan-Laos Agreement on Economic and Technological Cooperation is signed.		
Mar. 1959	Japan-Cambodia Agreement on Economic and Technological Cooperation is signed.	Dec. 1959	Inter-American Development Bank (IDB) is founded.
Apr. 1959	Activities of the Overseas Technological Training Center begin (prototype of project-type technical cooperation).		
May 1959	Japan-South Viet Nam Agreement on Reparations is signed.		
		Jan. 1960	Oliver Franks points out the importance of North-South issues.
		Jan. 1960	Development Assistance Group (DAG) is founded.
Mar. 1960	Japan joins the DAG.	Sep. 1960	Organization of Petroleum Exporting Countries (OPEC) is founded.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
		Sep. 1960	International Development Association (IDA, "Second World Bank") is founded.
Dec. 1960	Japan joins the IDA.	Dec. 1960	Organization for Economic Cooperation and Development (OECD) is founded.
Mar. 1961	Overseas Economic Cooperation Fund (OECF) is founded.	Oct. 1961	Development Assistance Committee (DAC, formerly DAG) is established. Japan is a founding member country.
Jun. 1961	Council on International Economic Cooperation is established.	Nov. 1961	USAID is established.
		Dec. 1961	10 Years of UN Development is adopted at the 16th UN General Assembly.
Jan. 1962	US-Japan Agreement on GARIOA and EROA Debts is signed.	Jan. 1962	DAC chairman's report is published for the first time.
Jan. 1962	Agreement between Japan and Thailand concerning the settlement of "Special Yen Problems" is signed.	Oct. 1962	Cuban missile crisis.
Jun. 1962	DAC conducts the first review of annual assistance to Japan.		
Jun. 1962	Overseas Technical Cooperation Agency (OTCA) is founded.		
Mar. 1963	Japan-Burma Agreement on Economic and Technological Cooperation is signed.	May 1963	Organization of African Unity (OAU) Charter is signed.
Apr. 1964	Japan joins the OECD.	Feb. 1964	Prebisch Report entitled the "Search for New Trade Policy for Development" is published.
Apr. 1964	Provision program of equipment and materials begins.	Mar. 1964	First meeting of United Nations Conference on Trade and Development (UNCTAD) is held.
		Nov. 1964	African Development Bank (AfDB) is founded.
Apr. 1965	Japan Overseas Cooperation Volunteers (JOCV) program is inaugurated.	Feb. 1965	US begins bombing North Viet Nam.
Apr. 1965	DAC issues recommendations on terms and conditions of aid.		
Jul. 1966	Two-step loans start.	Jan. 1966	United Nations Development Programme (UNDP) is founded.
		Aug. 1966	Asian Development Bank (ADB) is founded: Japan becomes a founding member.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
		Jan. 1967	United Nations Industrial Development Organization (UNIDO) is founded.
		Jul. 1967	European Community (EC) is founded.
		Aug. 1967	Association of Southeast Asian Nations (ASEAN) is founded by the Philippines, Indonesia, Thailand, Malaysia, and Singapore.
Jul. 1968	Commodity loans start.	Feb. 1968	Second General Assembly of UNCTAD declares an ODA target of 1% of GNP.
Jul. 1968	Food aid starts.		
Jul. 1968	Acceptance of trainees reaches 10,000.		
1969	General grant aid starts.	Oct. 1969	Pearson Report entitled "Partner on Development" is announced.
Apr. 1969	A two-fold increase in aid to Asia within a period of five years is announced at the second ADB General Meeting.		
		Oct. 1970	UN adopts a resolution on the Second UN Development Decade.
		Aug. 1971	US announces a new economic policy ("Nixon Shock").
		Dec. 1971	Meeting of finance ministers from 10 countries agrees to multinational currency adjustment, establishing the Smithsonian System.
Apr. 1972	ODA target of 0.7% of GNP is declared at the General Assembly of UNCTAD.	Jun. 1972	UN Conference on Human Environment is held in Stockholm.
May 1972	Introduction of untied loans is approved by the cabinet.	Jun. 1972	Diplomatic relations are restored between Japan and the People's Republic of China.
		Oct. 1972	DAC issues new recommendation on terms and conditions of aid to define ODA.
1973	Fishery grants start.	Oct. 1973	Ministerial meeting of the Organization of Petroleum Exporting Countries (OPEC) decides to raise posted price of crude oil, triggering the first oil crisis.
Aug. 1974	Japan International Cooperation Agency (JICA) is founded.	May 1974	Sixth UN General Assembly Special Session on Resources adopts a declaration to establish a New International Economic Order (NIEO) and a Special Project to Support Most Seriously Affected Countries (MSAC).
Mar. 1975	Third country training starts.	Feb. 1975	Lome Convention is signed.



EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Mar. 1975	Japan–Saudi Arabia Agreement on Economic and Technological Cooperation is signed.	Aug. 1975	UN International Conference on Population is held in Bucharest.
Apr. 1975	Grant aid for cultural activities starts.	Sep. 1975	UN General Assembly Special Session on Development and International Economic Cooperation is held.
Jul. 1975	Ministerial Council for External Economic Cooperation is established.		
Jul. 1975	Yen loan activities are transferred to the OECF.		
Jul. 1976	Japan joins the Inter-American Development Bank (IDB).	Feb. 1976	First ASEAN Summit is held in Bali.
Jul. 1976	Japan completes reparations to the Philippines (all reparations are completed).		
Apr. 1977	Aid for increasing food production starts.	Nov. 1977	International Fund for Agricultural Development (IFAD) is founded.
Aug. 1977	Fukuda Doctrine is announced.		
Feb. 1978	DAC issues recommendations on terms and conditions of aid.	Aug. 1978	World Bank announces the first <i>World Development Report</i> .
Apr. 1978	Grant aid for debt relief starts.	Aug. 1978	China-Japan Peace and Friendship Treaty is signed.
Jul. 1978	First Medium-Term Target of ODA (a plan to double ODA in three years) is announced at the G7 Summit in Bonn.		
Dec. 1979	First yen loan package to China is announced.	May 1979	Brandt Commission’s report entitled “North-South: A Program for Survival” is published.
		Dec. 1980	UN General Assembly adopts an international development strategy concerning the Third UN Development Decade.
Jan. 1981	Second Medium-Term Target of ODA (a plan to double ODA in five years) is announced.	Oct. 1981	North-South Summit, the International Conference on Cooperation and Development, is held in Cancun.
Jan. 1981	Economic Cooperation Evaluation Committee is established.		
Sep. 1982	Ministry of Foreign Affairs issues the first version of the <i>Economic Cooperation Evaluation Report</i> .	Aug. 1982	Mexico declares a moratorium on debt repayments.
Feb. 1983	Japan joins the African Development Bank (AfDB).		
Mar. 1984	Ministry of Foreign Affairs issues the first edition of <i>Japan’s Official Development Assistance</i> .	Jun. 1984	First meeting of Latin American debtor countries is held in Cartagena.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Mar. 1984	Second yen loan package to China is announced.	Aug. 1984	United Nations International Conference on Population adopts the Mexico City Declaration on Population and Development.
Sep. 1985	Third Medium-Term Target of ODA is announced.	Sep. 1985	Finance ministers and central bank governors of the Group of Five countries announce the Plaza Agreement.
Jul. 1986	Structural Adjustment Loans (SAL) with the World Bank start.		
May 1987	Financial recycling scheme is announced.		
Jul. 1987	Nonproject grant aid for structural adjustment support starts.		
Sep. 1987	International Disaster Relief Team is founded.		
Oct. 1987	International Cooperation Day is established.		
May 1988	International Cooperation Plan is announced.	Sep. 1988	The Paris Club agrees on the Toronto Terms.
Jun. 1988	Fourth Medium-Term Target of ODA is announced.		
Jul. 1988	Management and Coordination Agency issues "Results of the Administrative Inspection Concerning ODA."		
Apr. 1989	Grant assistance for grassroots projects and NGO project subsidies start.	Jun. 1989	Tiananmen Square incident occurs in Beijing.
Jul. 1989	Government announces its intention to strengthen environmental cooperation to developing countries at the G7 Summit in Arche.	Nov. 1989	The Berlin Wall collapses.
Sep. 1989	Management and Coordination Agency issues "Results of the Second Administrative Inspection Concerning ODA."		
Dec. 1989	Japan becomes the top ODA donor for the first time among DAC countries.		
Apr. 1990	Foundation for Advanced Studies on International Development (FASID) is founded.	May 1990	UNDP <i>Human Development Report</i> is published for the first time.
Jul. 1990	Japan completes repayment of World Bank loans.	Aug. 1990	Iraq invades Kuwait.
		Oct. 1990	Unification of Germany.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
		Oct. 1990	The final meeting of the South Commission adopts the “Challenge to the South.”
		Dec. 1990	International development strategy for the Fourth UN Development Decade is adopted.
Jan. 1991	International volunteer saving system starts.	Feb. 1991	The Gulf War ends.
Apr. 1991	The Four ODA Guidelines are formulated.	Apr. 1991	European Bank for Reconstruction and Development (EBRD) is founded: Japan is one of the founding members.
		Jul. 1991	Leaders at the London Summit decide on emergency support measures for the Soviet Union.
		Dec. 1991	The Soviet Union collapses. Commonwealth of Independent States (CIS) is established.
Jun. 1992	Japan participates in the Earth Summit and announces that Japan’s environmental ODA will increase to between ¥900 billion and ¥1 trillion in the five years from fiscal year 1992.	Jun. 1992	United Nations Conference on Environment and Development (UNCED, “Earth Summit”) is held in Rio de Janeiro.
Jun. 1992	Japan’s Official Development Assistance Charter is approved by the cabinet.		
Nov. 1992	Yen loans to Viet Nam resume.		
Jun. 1993	Fifth Medium-Term Target of ODA and Funds for Development initiative are announced.	May 1993	General election is held in Cambodia.
Jul. 1993	Common Agenda for Cooperation in a Global Perspective is announced as a result of Japan-US framework talks.	Sep. 1993	Israel and the PLO sign the Agreement on Palestinian Interim Self-Government.
Sep. 1993	Japan co-sponsors the first meeting of the International Committee on Reconstruction of Cambodia (ICORC) in Paris.		
Oct. 1993	Japan co-sponsors the Tokyo International Conference on African Development.		
Oct. 1993	Plaza for International Cooperation is established.		
Feb. 1994	Japan announces the Global Issues Initiative (GII) on Population and AIDS.	Apr. 1994	General elections are held in the Republic of South Africa.
Apr. 1994	Compensation Scheme for Volunteers starts as part of the NGO project subsidies.	Aug. 1994	10th International Conference on AIDS is held in Yokohama.
		Sep. 1994	International Conference on Population and Development is held in Cairo.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Dec. 1994	Fourth yen loan package to China is announced.	Dec. 1994	The Paris Club agrees on the Naples Terms.
		Dec. 1994	First Asia-Africa Forum is held in Bandung.
Feb. 1995	Forum for Comprehensive Development of Indochina is hosted by Japan in Tokyo.	Mar. 1995	World Summit for Social Development is held in Copenhagen.
Apr. 1995	Projects to help women attain independence are included in the NGO projects subsidies.	May and Aug. 1995	China conducts nuclear tests.
May 1995	Disaster relief and aid for democratization are commenced.	Sep. 1995	Fourth World Conference on Women held in Beijing.
Aug. 1995	Grant aid to China is suspended in principle.	Nov. 1995	Accord on Partnership for Progress is reached at the Osaka meeting of the Asia-Pacific Economic Cooperation (APEC) forum.
Sep. 1995	Japan announces its Initiative on Women in Development (WID) at the Fourth World Conference on Women.	Dec. 1995	Bosnia peace accord is signed in Paris.
Sep. 1995	The ODA logo is decided.		
Apr. 1996	Local community development projects are made eligible for NGO project subsidies.	Mar. 1996	Asia-Europe Meeting (ASEM) is held in Bangkok.
Apr. 1996	Japan's initiatives on assistance to Africa are announced.	May 1996	New Development Strategy is adopted at the DAC high-level meeting.
May 1996	Japan-China Comprehensive Forum on Environmental Cooperation is inaugurated.	Nov. 1996	Global Food Summit is held in Rome.
Aug. 1996	Report of the "Greater Mekong Development Vision Task Force" is released.		
Mar. 1997	Grant aid to China is recommenced.		
Mar. 1997	Management and Coordination Agency releases "The Results of Administrative Inspection on ODA—Centered on Yen Loans."		
Apr. 1997	Grant aid for child health is introduced.		
May 1997	Council on ODA Reforms for the 21st Century is launched.		
May 1997	Council on ODA Reforms announces emergency statement on fiscal structural reform.		
Jun. 1997	Cabinet determines policy on fiscal structural reform.	Jun. 1997	UN General Assembly Special Session on Environment and Development is held.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Jun. 1997	Initiatives for Sustainable Development (ISD) Toward the 21st Century is announced at the UN General Assembly Special Session of Environment and Development.	Jun. 1997	Second Asia Africa Forum is held in Bangkok.
Sep. 1997	Prime Minister Hashimoto visits China, where he proposes a bilateral agreement on environmental cooperation.	Jul. 1997	Thai baht plunges in value, triggering the Asian currency and financial crisis.
Sep. 1997	Japan-China Environmental Cooperation Toward the 21st Century is announced.		
Nov. 1997	Second general forum on Japan-China environmental cooperation is held.		
Dec. 1997	At the signing of the Mine Ban Treaty in Ottawa, Foreign Minister Obuchi announces Japan's pledge to provide approximately ¥10 billion over five years to support mine-ban activities.	Dec. 1997	Mine Ban Treaty is signed.
Dec. 1997	Japan announces the Kyoto Initiative (assistance to developing countries to combat global warming).	Dec. 1997	Third Session of the Conference of the Parties to the UN Framework Convention on Climate Change is held in Kyoto.
Dec. 1997	Prime Minister Hashimoto proposes the Japan-ASEAN Program for Comprehensive Human Resources Development on his visit to ASEAN countries.		
Dec. 1997	The ODA budget will be reduced through 2000 due to the enactment of the Fiscal Structure Reform Law.		
Jan. 1998	Council on ODA Reforms issues final report.		
Feb. 1998	Emergency economic stabilization measures for Southeast Asia are announced.		
Mar. 1998	Japan-US Common Agenda Open Forum is held.		
May 1998	Suspension, in principle, of new grant aid and yen loans to India and Pakistan.	May 1998	India and Pakistan conduct underground nuclear tests.
Jun. 1998	Enactment of the Basic Law on the Administrative Reform of the Central Government.	May 1998	Indonesian President Suharto resigns.
Jun. 1998	Council on External Economic Cooperation releases its recommendations on "Strategies for the Pursuit of Future Economic Cooperation."	Jun. 1998	UN General Assembly holds a special session on drugs.
		Nov. 1998	Fourth Session of Conference of the Parties to the UN Framework Convention on Climate Change in Buenos Aires adopts the Buenos Aires Action Plan.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Jul. 1998	In presiding over his first cabinet meeting, Prime Minister Obuchi cites the need for steps to improve transparency and efficiency of ODA.	Dec. 1998	Ceremony to commemorate the 50th anniversary of the Universal Declaration of Human Rights is held in New York.
Oct. 1998	Second Tokyo International Conference on African Development (TICAD II) is held.		
Oct. 1998	New Miyazawa Initiative is announced.		
Nov. 1998	Japan dispatches an SDF unit to hurricane-devastated Honduras in its first overseas deployment as a Japan Disaster Relief Team.		
Nov. 1998	Meeting of ODA-related ministries and agencies is held.		
Nov. 1998	Japan-China summit meeting is held. A joint declaration is issued on Japan-China Environmental Cooperation Toward the 21st Century, and agreement is reached on the remaining two years of the fourth package of yen loans to China.		
Dec. 1998	Special yen loans are established as part of an economic structural reform initiative.		
Feb. 1999	International conference on Cambodian reconstruction is held in Tokyo.	May 1999	Nigerian President Obasanjo is inaugurated.
Apr. 1999	The chief cabinet secretary announces Japan's proposal for debt-relief measures targeted at heavily indebted poor countries.	May 1999	General elections are held in Indonesia, following which Abdurrahman Wahid is elected president.
Apr. 1999	Announcement is made of Japan's contribution to Kosovo totaling approximately \$200 million.		
Jun. 1999	Japan announces aid to South Africa upon the inauguration of President Mbeki.	Jun. 1999	Thabo Mbeki is elected president of South Africa.
Jun. 1999	OECD/DAC issues its investigative report on Japan's development cooperation policy and plans.	Jun. 1999	The Cologne Debt Initiative is announced at the Cologne Summit.
Jun. 1999	International symposium on development from the viewpoint of human security is held.	Jun. 1999	UN General Assembly Special Session on the International Conference on Population and Development is held in New York.
Jul. 1999	The LDP Special Committee on External Economic Cooperation announces its proposals for strategic implementation of economic cooperation toward the 21st century.	Aug. 1999	China conducts a missile launch test.
		Aug. 1999	East Timor residents vote for independence from Indonesia in a popular referendum.
		Sep. 1999	IMF and World Bank Executive Boards endorse a concrete plan of action under the enhanced HIPC Initiative.

EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Aug. 1999	Medium-Term Policy on Official Development Assistance is announced.	Oct. 1999	Fifth Session of the Conference of the Parties to the UN Framework Convention on Climate Change is held in Bonn.
Aug. 1999	A JICA expert is kidnapped in Kyrgyz.		
Aug. 1999	An Asian economic revitalization mission is dispatched.		
Aug. 1999	A high-level seminar on debt management is held in Kenya.		
Aug. 1999	House of Councillors Committee on Oversight of Administration adopts a resolution on ODA.		
Sep. 1999	A humanitarian assistance survey mission is dispatched to East Timor.		
Sep. 1999	First group of ODA citizen monitors is dispatched.		
Sep. 1999	An additional emergency grant for earthquake-stricken areas of northwest Turkey is announced (shipment of temporary housing using three SDF vessels).		
Sep. 1999	Japan provides emergency relief for earthquake victims in Taiwan.		
Sep. 1999	International conference on aid to Semipalatinsk is held in Tokyo.		
Oct. 1999	Japan Bank for International Cooperation (JBIC) is established.		
Oct. 1999	Abduction of a JICA expert in Kyrgyz is resolved.		
Nov. 1999	Third meeting of the Japan-China Comprehensive Forum on Environmental Cooperation is held.		
Nov. 1999	The “Obuchi Plan” for enhancing human resources development and exchange in East Asia is announced at the ASEAN + 3 (Japan, Korea, China) summit meeting in Manila.	Nov. 1999	Informal ASEAN summit and ASEAN + 3 (Japan, Korea, China) summit meetings are held in Manila.
		Dec. 1999	General Robert Guei replaces Côte d’Ivoire President Henri Konan Bedie in a military coup.
Jan. 2000	Reforms are undertaken in JICA’s organization.	Apr. 2000	World Education Forum is held in Dakar.
Jan. 2000	Target countries and sectors for Japan’s special yen loans are expanded.	Apr. 2000	Second Japan–South Pacific Forum Summit Meeting is held in Miyazaki.
Mar. 2000	Meeting of ODA-related ministries and agencies is held.	May 2000	Third Asia Africa Forum is held in Kuala Lumpur.
Mar. 2000	Report on ways to improve the ODA evaluation system is issued at the vice-ministerial-level consultation on the Japan-US Common Agenda.	Jun. 2000	UN General Assembly Special Session: Women 2000 is held.
		Jun. 2000	UN General Assembly Special Session: Social Summit + 5 is held.



EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Apr. 2000	Long list of candidate projects for yen loans to Viet Nam is completed.	Jul. 2000	Leaders of developing countries meet with G8 leaders.
Apr. 2000	Japan announces a new debt-relief initiative for heavily indebted poor countries.	Jul. 2000	Kyushu-Okinawa Summit is held in Okinawa.
Apr. 2000	Start of emergency action support grants for NGOs in fiscal year 2000.	Sep. 2000	Millennium Summit is held at the UN.
Apr. 2000	Guidelines to prevent abuses of procured ODA funds is introduced.	Sep. 2000	Millennium Assembly is held at the UN.
Apr. 2000	Country assistance programs are announced for Thailand and Bangladesh.	Oct. 2000	Slobodan Milosevic is ousted as Yugoslav president.
Jun. 2000	Country assistance programs are announced for Viet Nam, Egypt, Tanzania, and Ghana.	Oct. 2000	Israelis and Palestinians clash as the Middle East peace process breaks down.
Jul. 2000	Action from Japan on "Conflict and Development," Japan's Comprehensive Cooperation Package to Address the International Digital Divide, and the Okinawa Infectious Diseases Initiative are announced.	Oct. 2000	Laurent Gbagbo becomes new president of Côte d'Ivoire.
Jul. 2000	International symposium on IT and development cooperation is held.	Oct. 2000	Third ASEM summit meeting is held in Seoul.
Jul. 2000	First meeting of the Advisory Group on Japan's Economic Cooperation to China in the 21st Century is held.	Nov. 2000	Sixth Session of the Conference of the Parties to the UN Framework Convention on Climate Change is held in Hague.
Aug. 2000	Country assistance programs are announced for Kenya, the Philippines, and Peru.	Nov. 2000	ASEAN + 3 summit meeting is held.
Aug. 2000	Proposals of the group to discuss the system of yen loans are announced.		
Sep. 2000	Council on External Economic Cooperation releases its recommendations on economic cooperation that places a high value on human life.		
Oct. 2000	Ceremony is held to commemorate 20 years of economic cooperation to China.		
Oct. 2000	Kyoto Meeting on Poliomyelitis Eradication in the Western Pacific is held.		
Oct. 2000	First IT Policy Dialogue Mission is dispatched to the Philippines, Thailand, and Cambodia.		
Dec. 2000	Okinawa International Conference on Infectious Diseases Control is held.		



EVENTS CONCERNING JAPANESE ECONOMIC COOPERATION		WORLD EVENTS CONCERNING ECONOMIC COOPERATION	
Dec. 2000	Advisory Group on Japan's Economic Cooperation to China in the 21st Century issues its recommendations.		
Dec. 2000	Japan Association of NGOs for Agricultural and Rural Development (JANARD) is established.		
Jan. 2001	Former Prime Minister Mori visits Africa.	Apr. 2001	African Summit on HIV/AIDS, Tuberculosis, and Other Infectious Diseases is held in Abuja, Nigeria.
Jan. 2001	Japan NGO Network for Education (JNNE) is established.	Apr. 2001	Commission on Human Security is established.
Jan. 2001	Emergency aid is provided for earthquake victims in El Salvador.	Apr. 2001	OECD/DAC recommends the untying of aid to the least developed countries.
Feb. 2001	Aid package is provided for earthquake victims in India.	May 2001	Third UN Conference on Least Developed Countries is held.
Feb. 2001	Second IT Policy Dialogue Mission is dispatched to Indonesia, Singapore, Viet Nam, and Malaysia.	Jun. 2001	UN General Assembly Special Session on HIV/AIDS is held.
Mar. 2001	Okinawa Workshop on Trade-Related Capacity Building is held in Okinawa.	Jul. 2001	Canberra Donors' Meeting on East Timor is held.
May 2001	First meeting of the Second Consultative Committee on ODA Reform is held.	Jul. 2001	Genoa G8 Summit is held.
Jun. 2001	Third IT Policy Dialogue Mission is dispatched to South Africa and Tunisia.	Jul. 2001	Sixth Session of the Conference of the Parties to the UN Framework Convention on Climate Change is resumed in Bonn.
Jul. 2001	First Liaison Meeting on ODA Evaluation is held.	Sep. 2001	Terrorists attack targets in the United States.
Aug. 2001	The Second Consultative Committee on ODA Reform issues its interim report.	Oct. 2001	Ceremonies are held to commemorate the 50th anniversary of the Colombo Plan.
Oct. 2001	International symposium on infectious diseases is held in Tokyo.	Oct. 2001	Asia Pacific Ministerial Meeting on HIV/AIDS and Development is held in Melbourne.
Oct. 2001	Economic Cooperation Program for China is announced.	Oct. 2001	APEC summit is held in Brunei.
Oct. 2001	Economic measures against India and Pakistan are suspended.	Oct. 2001	UNESCO's Meeting of the High-Level Group on Education for All is held in Paris.
Nov. 2001	Tokyo Workshop on ODA Evaluation is held.	Oct. 2001	Seventh Session of the Conference of the Parties to the UN Framework Convention on Climate Change is held in Marrakech.
Dec. 2001	TICAD ministerial-level meeting is held in Tokyo.	Nov. 2001	Senior Officials Meeting on Reconstruction Assistance to Afghanistan is held in Washington.
Dec. 2001	International Conference on Reconstruction Assistance to Afghanistan is held in Tokyo.	Nov. 2001	Bonn Meeting for Afghanistan is held among rival factions to establish an interim administration in Afghanistan.
Dec. 2001	International symposium on human security is held in Tokyo.		