

## Section 5. Formulation and Implementation of ODA Policy

The ODA Charter specifies three sets of reform measures so that the assistance can be provided more efficiently and effectively. That is, the system for formulating and implementing aid policy, increasing public participation, and matters essential for effective implementation. The following describes ODA reform efforts implemented in FY2007 in accordance with the ODA Charter structure.

### 1. System for Formulation and Implementation of ODA Policy

#### (1) Coherent Formulation of Aid Policy

In Japan, the Cabinet Office and the 12 ministries and agencies<sup>5</sup> are involved in development assistance. When implementing aid, it is important that the Ministry of Foreign Affairs—a nucleus for policy planning and overall policy coordination—works closely with the Overseas Economic Cooperation Council—a strategic decision making body. The collaboration ensures that ODA from each government agency is designed and executed coherently for strategic values and yields the maximum results.

The Overseas Economic Cooperation Council, established by the Cabinet Office in April 2006, is chaired by the Prime Minister, while the Chief Cabinet Secretary, the Minister for Foreign Affairs, the Minister of Finance, and the Minister of Economy, Trade and Industry flexibly and practically deliberate important matters pertaining to overseas economic cooperation. The council has carried out discussions on issues including ODA policy, amounts and quality, relating to Asia, Africa, China, Iraq, India, and Afghanistan as well as resources, energy, the environment, support for legal systems, and peace building.

The Ministry of Foreign Affairs' International Cooperation Bureau, set up in August 2006,

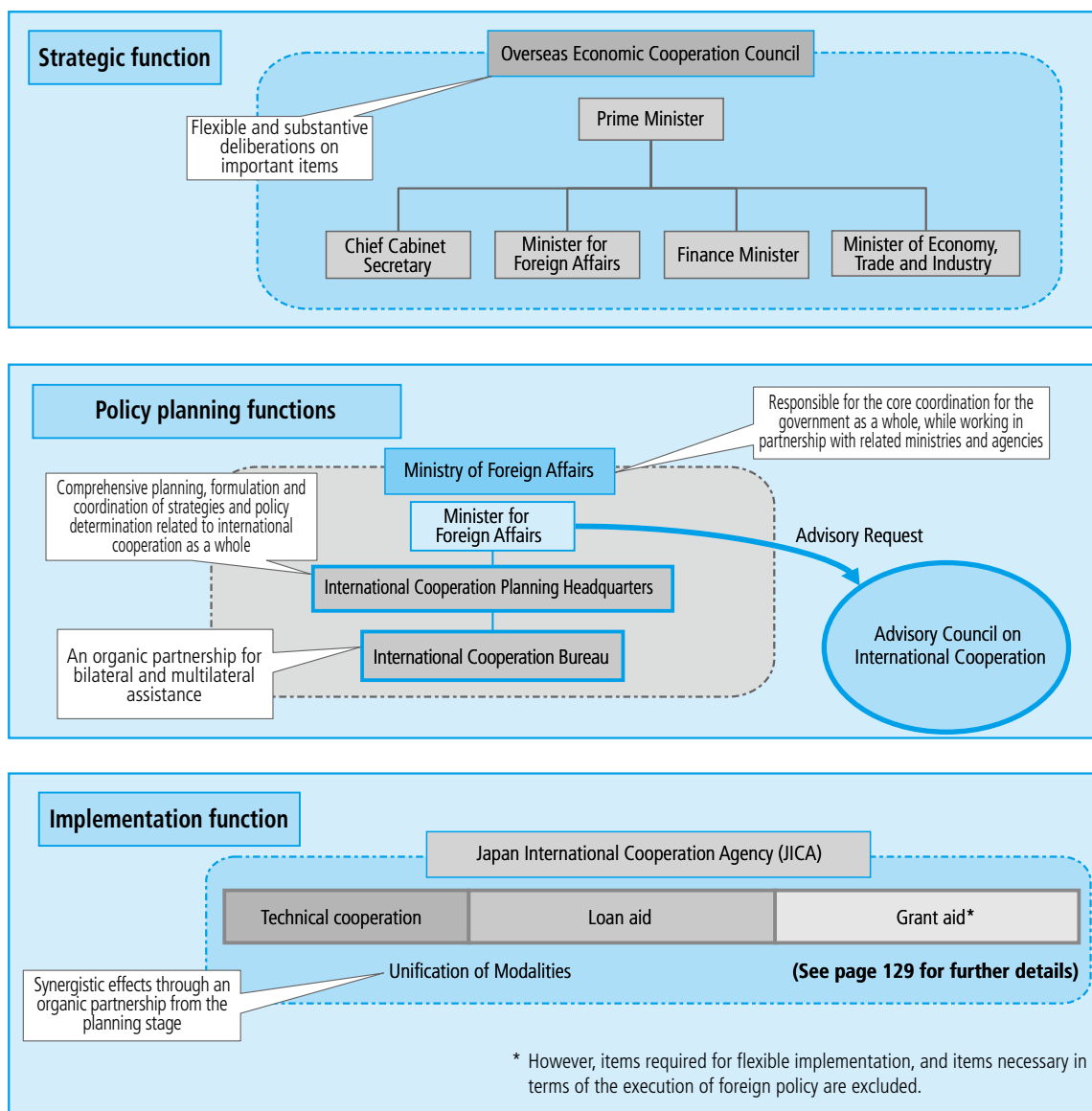
comprehensively plans and drafts policies relating to bilateral as well as multilateral assistance, while also playing a central role in coordination in the government. Collaboration with related government ministries and agencies is also of importance. Thus, the government carries out a series of discussions such as the Inter-Ministerial Meeting on ODA, the Experts Meeting on Technical Cooperation, and the Experts Meeting on ODA Evaluation, at which information is shared and opinions exchanged with the government ministries and agencies concerned, and their knowledge is subsequently put to use. The International Cooperation Planning Headquarters, established under the Minister for Foreign Affairs, in which the International Cooperation Bureau and other Bureaus including regional bureaus have consultations, plan and formulate effective assistance policy for formulating priority objectives and regional priority issues for international cooperation for each fiscal year. Furthermore, in 2007 the Ministry of Foreign Affairs (MOFA) established the “Advisory Council on International Cooperation,” comprised of specialists in international cooperation<sup>6</sup> from various sectors (e.g. scholars, the fourth estate, business circles, and NGOs). Wide-ranging debate is carried out within the council to ensure that the opinions of the experts in response to questions<sup>7</sup> they have fielded from the Minister for Foreign Affairs are reflected in policies. In January 2008, the Interim Report on these discussions was submitted to then Foreign Minister Koumura. Additionally, sectoral discussions by special taskforces are ongoing in MOFA, to ensure sector-specific challenges too, are adequately addressed. For example, the healthcare taskforce held repeated discussions on events such as TICAD IV and the G8 Hokkaido Toyako Summit with the concerned ministries and agencies and JICA, and this contributed to Japan's leadership in these international conferences.

5 The Cabinet offices and 12 ministries and agencies mentioned here include the Cabinet Office; the National Police Agency; the Financial Service Agency; the Ministry of Internal Affairs and Communications; the Ministry of Justice; the Ministry of Foreign Affairs; the Ministry of Finance; the Ministry of Education, Culture, Sports, Science and Technology; the Ministry of Health, Labour and Welfare; the Ministry of Agriculture, Forestry and Fisheries; the Ministry of Economy, Trade and Industry; the Ministry of Land, Infrastructure, Transport and Tourism; and the Ministry of the Environment.

6 Based on the report (dated February 2006) of the Study Group on Overseas Economic Cooperation convened under the Chief Cabinet Secretary, the Advisory Council was established to expand discussions following the closure in June 2006 of the Board on Comprehensive ODA Strategy initiated in 2002.

7 The specific matters of inquiry include: (1) the basic approach of international cooperation policies concerning priority issues and regions, (2) the role to be played by citizens' participation (e.g. development and training of human resources to play a role in international cooperation), and (3) issues involved in the formulation of ODA projects and their implementation (improving the efficiency and speed of assistance, collaboration between government and the private sector and with NGOs, etc.).

## Efforts aimed at ensuring the cohesion of strategies, policy planning, and implementation



## (2) Collaboration between Government and Implementing Organizations

The government provides clear strategies for each country and region as well as sector through discussions held in the Overseas Economic Cooperation Council, and it formulates strategic programs of international cooperation through the establishment of country-based assistance programs. Implementing agencies carry out actual assistance projects based on the ODA policies formulated by MOFA and other government ministries. MOFA informs the implementing agencies of the priority objectives formulated for each fiscal year based on the results of discussions by the Overseas Economic Cooperation Council, and it collaborates with the implementing agencies so that these objectives can be

reflected in the prompt implementation of assistance.

In October 2008, the former JICA, which carried out technical cooperation and promotion of executing grant aid, merged with the Overseas Economic Cooperation operation in the former JBIC, which was in charge of providing ODA loans, to establish New JICA. Some of the actual implementation duties for grant aid that had previously belonged to MOFA were also transferred to New JICA. This enables New JICA to perform three aid modalities (technical cooperation, grant aid, and ODA loan) together, so that it can exhibit synergy between these assistance modalities, based on the policies established by the government, and carry out projects efficiently and effectively.

### (3) Enhancing Functions at the Field Level

In order to increase the strategic strength, transparency and efficiency of ODA, and ensure thoroughness in accountability, it is necessary to strengthen its position at field level, in the formulation of country-specific aid strategies. To improve development assistance in terms of its strategy, transparency, efficiency, and accountability, it is indispensable to strengthen the role of the field level in the development of country-specific aid strategies. To achieve this enhancement, country-based ODA task forces (ODA-TFs) consisting primarily of officers of Japanese embassies and the local offices of implementing agencies such as JICA are playing a leading role in the establishment of aid policies and the implementation process.

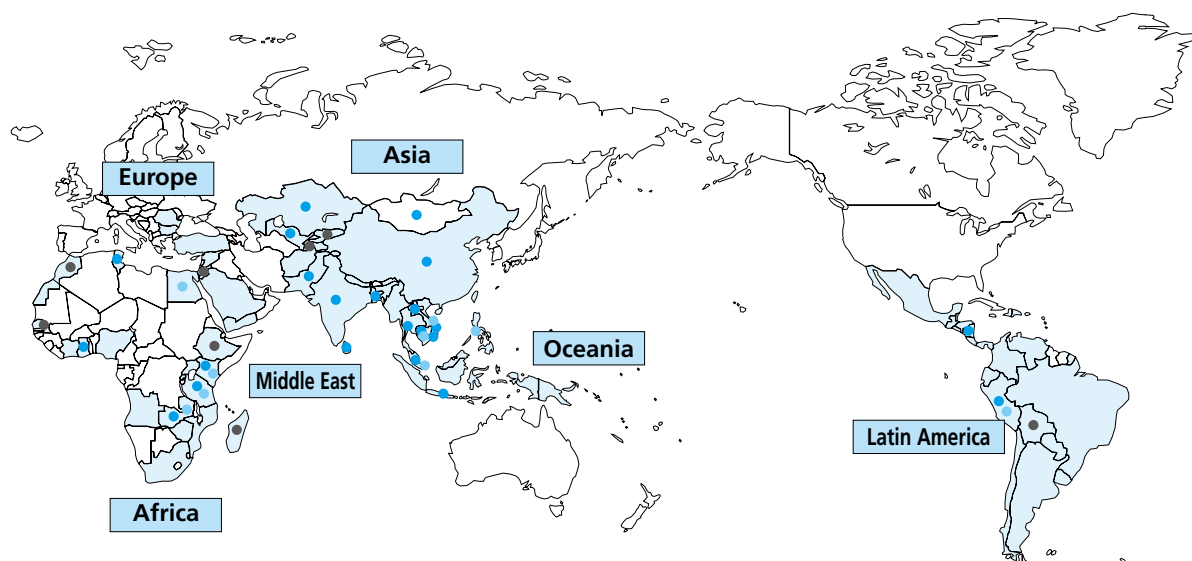
ODA-TFs grasp comprehensive and accurate answers to the question of what development issues are of highest priority for each recipient country and what Japan can do to address these issues. Further, the ODA-TFs are working on a daily basis to gain a deep understanding of the socio-economic status of each country and to systemize it by appointing staff with extensive knowledge and experience of the country in question.

ODA-TFs fulfill a wide range of roles in addition to clarifying the needs of each recipient country. These roles include participating in the formulation of Country

Assistance Programs that specify the direction and prioritized sectors of Japan's assistance, undertaking policy consultations with developing countries, strengthening cooperation with other donor countries and international organizations, and offering suggestions on possible collaboration and review of aid schemes as well as selecting candidate projects for development assistance. For instance, under the ownership of developing countries, the concerned entities including donor countries work together and proceed to put aid coordination at the field-level, as Poverty Reduction Strategy Papers are now in the process of being formulated and revised in cooperation with donors and other related entities. Japan is also actively participating in such activities. In Central America, the ODA-TFs of each country are joining forces in their efforts to advance region-wide collaboration.

Furthermore, in order to respond appropriately to such movements, promising external human resources are being proactively used in diplomatic missions, enabling more efficient and effective efforts to be implemented. For example, a post of "coordinator for economic cooperation" was established in 2006 to provide at Japanese embassies a system for collecting information and implementing studies, as well as for disseminating information overseas concerning Japan's aid coordination policies and making relevant recommendations.

**Chart III-23. List of Country Assistance Programs and Countries with Country-based ODA Task Forces**



**[Country Assistance Programs (As of November 2008)]**

(1) Countries with formulated programs (24 countries)

2000
<ul style="list-style-type: none"> <li>• Bangladesh (March) (revised in 2006)</li> <li>• Thailand (March) (revised in 2006)</li> <li>• Egypt (June)</li> <li>• Philippines (August)</li> <li>• Viet Nam (June) (revised in 2004)</li> <li>• Ghana (June) (revised in 2006)</li> <li>• Tanzania (June)</li> <li>• Kenya (August)</li> <li>• Peru (August)</li> </ul>
2001
<ul style="list-style-type: none"> <li>• China (October)</li> </ul>
2002
<ul style="list-style-type: none"> <li>• Malaysia (February)</li> <li>• Tunisia (October)</li> <li>• Cambodia (February)</li> <li>• Nicaragua (October)</li> <li>• Zambia (October)</li> </ul>
2004
<ul style="list-style-type: none"> <li>• Sri Lanka (April)</li> <li>• Mongolia (November)</li> <li>• Viet Nam (April)*</li> <li>• Indonesia (November)</li> </ul>
2005
<ul style="list-style-type: none"> <li>• Pakistan (February)</li> </ul>
2006
<ul style="list-style-type: none"> <li>• India (May)</li> <li>• Laos (September)</li> <li>• Thailand (May)*</li> <li>• Uzbekistan (September)</li> <li>• Bangladesh (May)*</li> <li>• Kazakhstan (September)</li> <li>• Ghana (September)*</li> </ul>

(2) Countries the programs of which are being formulated/revised (16 countries)

Currently being formulated (7 countries)
<ul style="list-style-type: none"> <li>• Jordan</li> <li>• Morocco</li> <li>• Bolivia</li> <li>• Senegal</li> <li>• Kyrgyz Republic</li> <li>• Tajikistan</li> <li>• Madagascar</li> </ul>
Currently being revised (8 countries)
<ul style="list-style-type: none"> <li>• Viet Nam</li> <li>• Tunisia</li> <li>• Cambodia</li> <li>• Sri Lanka</li> <li>• Malaysia</li> <li>• Nicaragua</li> <li>• Peru</li> <li>• Zambia</li> <li>• Kenya</li> </ul>

\* revised programs.

Formulated: ● Under formulation: ● Under revision: ●

**Countries with Country-based ODA Task Forces**

Europe
<ul style="list-style-type: none"> <li>• Bulgaria</li> <li>• Romania</li> </ul> <p>Total: 2 countries</p>
Middle East
<ul style="list-style-type: none"> <li>• Afghanistan</li> <li>• Morocco</li> <li>• Egypt</li> <li>• Jordan</li> <li>• Saudi Arabia</li> <li>• Yemen</li> <li>• Syria</li> <li>• Iran</li> <li>• Tunisia</li> <li>• Turkey</li> </ul> <p>Total: 10 countries</p>
Africa
<ul style="list-style-type: none"> <li>• Angola</li> <li>• Democratic Republic of the Congo</li> <li>• Zimbabwe</li> <li>• South Africa</li> <li>• Uganda</li> <li>• Senegal</li> <li>• Mozambique</li> <li>• Ethiopia</li> <li>• Tanzania</li> <li>• Rwanda</li> <li>• Eritrea</li> <li>• Nigeria</li> <li>• Botswana</li> <li>• Ghana</li> <li>• Zambia</li> <li>• Madagascar</li> <li>• Kenya</li> <li>• Cote d'Ivoire</li> </ul> <p>Total: 18 countries</p>
Asia
<ul style="list-style-type: none"> <li>• India</li> <li>• Nepal</li> <li>• Viet Nam</li> <li>• Indonesia</li> <li>• Pakistan</li> <li>• Malaysia</li> <li>• Uzbekistan</li> <li>• Bangladesh</li> <li>• Myanmar</li> <li>• Kazakhstan</li> <li>• Timor-Leste</li> <li>• Mongolia</li> <li>• Cambodia</li> <li>• Tajikistan</li> <li>• Laos</li> <li>• China</li> <li>• Philippines</li> <li>• Bhutan</li> </ul> <p>Total: 21 countries</p>
Oceania
<ul style="list-style-type: none"> <li>• Kiribati</li> <li>• Vanuatu</li> <li>• Samoa</li> <li>• Papua New Guinea</li> <li>• Solomon Islands</li> <li>• Fiji</li> <li>• Tuvalu</li> <li>• Tonga</li> <li>• Nauru</li> </ul> <p>Total: 9 countries</p>
Latin America
<ul style="list-style-type: none"> <li>• Argentina</li> <li>• Colombia</li> <li>• Paraguay</li> <li>• Mexico</li> <li>• Ecuador</li> <li>• Chile</li> <li>• Venezuela</li> <li>• Uruguay</li> <li>• El Salvador</li> <li>• Dominican Republic</li> <li>• Peru</li> <li>• Guatemala</li> <li>• Nicaragua</li> <li>• Bolivia</li> <li>• Costa Rica</li> <li>• Panama</li> <li>• Honduras</li> </ul> <p>Total: 18 countries</p>

Total: 78 countries (including countries under shared jurisdiction)

#### (4) Enhancing Policy Consultation

For many years, Japan's assistance has worked on the "request-oriented principle" whereby assistance was implemented based on requests from developing countries. However, in order to derive full benefits from development assistance, a common awareness and understanding must be acquired through close policy consultations with the developing country. For this reason, while Japan still places emphasis on requests from developing countries from the perspective of supporting their self-help efforts, it carries out policy consultations with governmental parties from the partner country, at a stage prior to the receipt of a request. The aim of these consultations is to allow the developing countries' development policies and assistance needs to be clearly ascertained and to achieve coordination with Japan's assistance policies.

One of the measures aimed at strengthening policy consultation is the work carried out by the country-based ODA task forces (ODA-TFs). Through lively policy consultations between ODA-TFs and the governments of developing countries, shared awareness with the developing country can be achieved in relation to priority issues and policy and system-related challenges, seen from a medium-term perspective. Furthermore, Japan seeks to make its assistance policies compatible with the development policies of developing countries and thereby achieve efficient and effective assistance.

#### (5) Cooperation with Aid-Related Entities within and outside of Japan

Japan is implementing international cooperation in collaboration with various groups including private sector enterprises, universities, local governments, NGOs<sup>8</sup>, international organizations, and other donor countries.

##### (a) Collaboration with Private Sector Enterprises

The role of private sector enterprises in attaining sustained growth in developing countries is indispensable. The activities of such enterprises are capable of bringing about developmental effects in those countries that are beyond reach with ODA alone, as they can promote employment, transfer vocational skills, and expand trade and investment. Thus, cooperation between ODA and private sector enterprises is



(Source: EPA=Jiji)

of great importance, and as such, the government has been actively engaged in a variety of efforts.

The Special Term for Economic Partnership (STEP)<sup>9</sup> system has been in place since 2002. Its goal is to disseminate the advanced skills and expertise of Japanese businesses. In FY2007, ODA loans under STEP were offered to Kenya, Mongolia, and Viet Nam. Regarding grant aid too, Japan is working hard to realize the "visibility of Japanese aid" by making use of its advanced skills. In January 2008, the Advisory Council on International Cooperation submitted to the Minister for Foreign Affairs its Interim Report, wherein it proposed the further necessity and effectiveness of collaboration between the public and private sectors. As a result of reports such as this, the "Public-Private Cooperation for Accelerated Growth" was announced in April 2008 as a new measure for strengthening cooperation between these two sectors.

[See page 62 for sustainable growth through government and private sector partnership.](#)

##### (b) Collaboration with NGOs

With various forms of support, Japan's NGOs provide assistance tailored to development needs in a wide range of fields including healthcare, education, and water supply, and as a result have earned high praise in Japan and in developing countries. NGOs are important organizations when considered from the following perspectives: (1) they conduct activities at the community level with local residents of developing countries and regions and they are capable of providing fine-tuned assistance that meets the diverse needs of developing countries and regions; (2) they are able to implement emergency humanitarian assistance activities in the case of large-scale natural disasters promptly and flexibly; (3) they give Japan a visible

<sup>8</sup> Non-Governmental Organization.

<sup>9</sup> STEP is a loan system introduced in 2002, to promote the "visibility of Japanese aid" by making use of advanced Japanese technology and expertise, and transferring technology to developing countries. Contractors under this system are limited to Japanese businesses.

presence; (4) they are able to conduct activities in regions the government cannot reach. In recent years, NGOs have carried out various activities not only in the fields of development assistance and emergency humanitarian relief, but also in the fields of environment, human rights, trade, disarmament and non-proliferation.

As a result, they have come to fill a larger role in the international community. The necessity of promoting cooperation with NGOs has been detailed in the ODA Charter as well as in medium-term policies, and Japan is engaged in a variety of activities for reinforcing the abilities of its NGOs.

Since 2007, in order to apply the expertise of private organizations such as NGOs at the project formulation stage, JICA has carried out Project Formulation Study (Proposal Type),<sup>10</sup> with proposals being widely accepted regarding the details of investigation. Further, in 2007, Technical Cooperation Projects Based on Operation Implementation Contracts were used to proactively utilize private sector vitality, entrusting 188 projects to NGOs. In these Technical Cooperation Projects Based on Operation Implementation Contracts, cases are now seen where they are implemented with NGOs and universities serving as contractors, and so there is a positive move towards the use of know-how from various organizations.

#### *i. Financial Cooperation for NGO Activities*

Japan is engaged in various forms of cooperation for enabling NGOs to carry out aid activities smoothly. One of the sources of funds for Japanese NGOs to implement economic and social improvement in developing countries originates from the Japanese government via the Grant Assistance for Japanese NGO Projects. In 2007, for 64 projects by 43 organizations in 26 countries and regions, and for 60 projects by 18 organizations in 12 countries through the Japan Platform (JPF), a total of approximately ¥2.6 billion in funding was provided. Moreover, JICA has directly contributed to the improvement of the lives of local inhabitants of developing countries for projects proposed by NGOs and local governments. It is also engaged in the JICA Partnership Program to contract projects relating to issues that arise in accordance with the Country Assistance Plans set up by the government. In particular, in the form of grassroots partnership within these cooperation systems, support is being given for developing countries applying the experience and skills accumulated by organizations such as NGOs that have a certain track record in international cooperation.

#### *ii. Enhancing the Environment for NGO Activities*

In recent years, Japanese NGOs have conducted remarkable international cooperation activities, and as such they have received high praise and a wealth of expectations relating to the role of NGOs. Thus, it is important to strengthen their specialties and project implementation systems. In this regard, organizations such as MOFA, JICA, and the Foundation for Advanced Studies on International Development (FASID) have enhanced various programs and training systems through government financing in order to cooperate in the capacity building and human resource development of NGOs.

As well, MOFA establishes the NGO Advisor Program. Under this program, MOFA, contracted with Japanese NGOs, dispatches personnel with a track record and experience in the area of international cooperation at these NGOs for consultancy work as well as participation in various events and seminars on international cooperation. They respond to consultations and inquiries from citizens with ties with NGOs and NGO personnel on issues pertaining to the establishment, organization management, and operation of NGOs.

Furthermore, the NGO Researcher Program has been set up to increase NGO abilities through the dispatch for a fixed term of personnel with high-level knowledge, techniques, and expertise to improve skills in special areas and work, and strengthen organization functions. MOFA also holds the NGO Study Groups which works to strengthen NGO organization and improve abilities. In this group study groups and symposiums related to the shared issues faced by NGOs are held. In 2007, it was engaged in three areas: “Research on NGO networks,” “cooperation between NGOs and international organizations in the field of health,” and “protection in the assistance for Human Security.”

As well, JICA has traditionally operated NGO human resources development to help train NGO staff. The training aims at acquiring project management skills at local sites in developing countries as well as domestic organizational management skills for publicity and fundraising.

#### *iii. Dialogue and Cooperation with NGOs*

Japan works to reinforce its cooperation with NGOs. Since 1996, it has held the NGO-MOFA Regular Meetings and engaged in active debate regarding areas such as Japan’s assistance policies and the Grant Assistance for Japanese NGO Projects. Meanwhile, from 2002, as a forum for

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10 Project Formulation Study: A study that is carried out in cases where the necessity of development has been confirmed, but there has been no concrete request from the government of the recipient country, to formulate good projects and assign the course of cooperation.

## 1. (5) Cooperation with Aid-Related Entities within and outside of Japan

exchanging ideas and opinions with field-level NGOs it opened the NGO Embassy Meeting often called the “ODA Embassies.” Embassy officials, aid implementing agencies, and NGO-related parties have thus far carried out discussion into the efficient and effective implementation of ODA in 13 countries such as Nepal and Sri Lanka. In 2007 for instance, the discussion covered various issues on security in Afghanistan and safety measures against it.

Implementing agencies, such as formerly JICA and the overseas economic cooperating operation of JBIC, have carried out regular conferences with NGOs to promote understanding and participation among citizens for effective international cooperation.

As well, JICA holds various related committee meetings. The meetings include the NGO-JICA Cooperation Review Meeting for exchanging ideas and opinions on cooperative projects with NGOs as a whole, the Development Education Subcommittee to promote effective development and education with NGOs, and the Evaluation Methodology Subcommittee as sharing information with NGOs as well as selecting training and proposals through project evaluation.

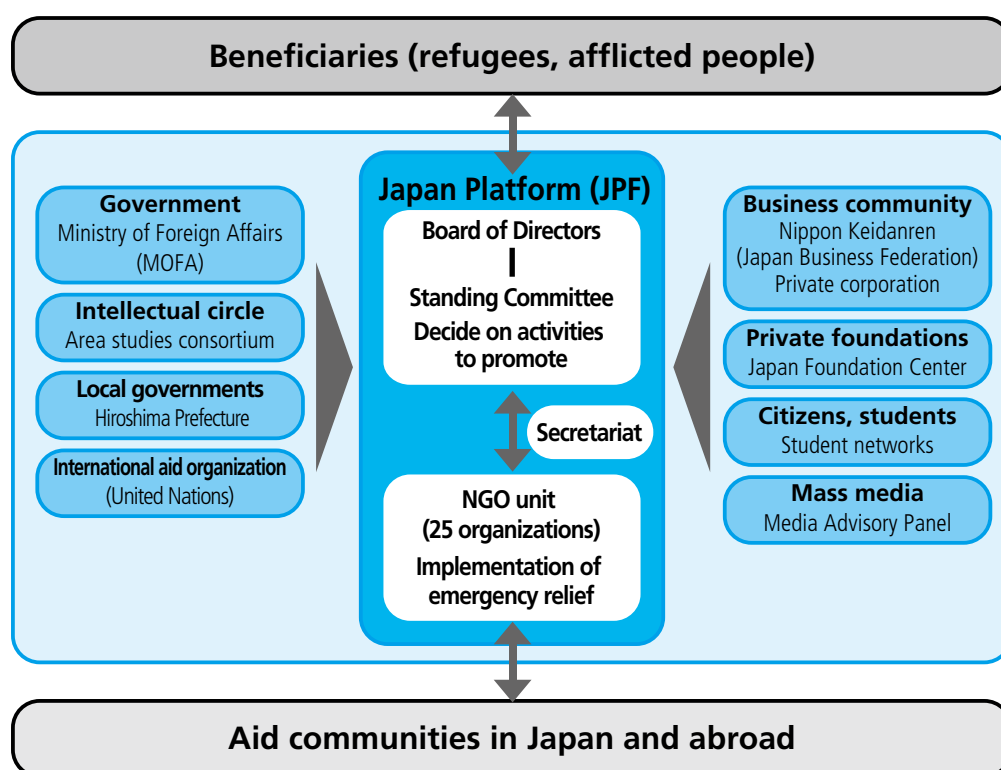
In addition to this collaboration with NGOs, both at home and abroad, as of August 2008, as many as 30 Japanese NGOs participate in the Japan Platform (JPF) established in 2000 through the cooperation of NGOs and

the governmental and business sectors. When emergency humanitarian relief is required, ODA funded in advance as well as contributions/donations made by enterprises and people are used to implement prompt assistance. For example, JPF assisted casualties of Cyclone Nargis (Myanmar) and Sidr (Bangladesh). It also supports for refugees and internally displaced persons from or in Southern Sudan and as well as Iraq. Further effort is to be made for increasing dialogue with NGOs for enhancing and diversifying cooperation and collaboration, while considering NGOs’ difficulty and needs.



Assistance for victims of Cyclone Sidr (Bangladesh)  
(Source: JPF/KnK)

Chart III-24. Structure of Japan Platform





### **(c) Collaboration with Academia and Local Governments**

The use of know-how accumulated by academia and local government in international cooperation can lead to the beneficial and effective implementation of ODA. In this matter, JICA executes various areas such as qualitative project improvement, development of human resources for aid, and vitalization of regional project deployment. Cooperation with academia and local governments has come to the fore in a variety of project areas, including expert dispatch, acceptance of trainees and exchange students, partnership programs, and assorted lectures.

[See also Box 6 on page 138 on collaboration with local governments through JICA partnership programs.](#)

Moreover, in recent years, universities and institutes have increasingly contracted for comprehensive implementation of technical cooperation projects. The aid community, on one hand, hopes to utilize the intellectual assets that individual universities have accumulated for vitalizing and improving the quality of projects as well as developing human resources for aid. For universities, on the other hand, collaboration may facilitate accessing to developing countries and gaining opportunities for practical experience. To this end, a comprehensive collaborative framework has been introduced with academia (comprising agreements and memoranda relating to cooperation and collaboration). Nine agreement memoranda have thus far been concluded with 13 institutions, with the objective of building organized cooperative relationships and increasing the synergy of projects. These institutions, which have already entered into this framework, include Obihiro University of Agriculture and Veterinary Medicine, Hokkaido University, and Hiroshima University. Projects in international cooperation can be increasingly executed with utilizing the knowledge possessed by universities further.

For advancing in the form of public participation, the advanced expertise and experience of bodies, such as Japanese universities and local governments, have incorporated with Japanese ODA loan projects. In 2007, as many as 23 research projects were contracted to academic institutions, including a study for measures for less privileged students in China as well as natural rubber industry in Cambodia. Collaboration with academia also helps in regards to other areas of research, ex-post evaluation of projects and the acceptance of exchange students and trainees from developing countries as part of human resource

development projects. Furthermore, the Tokyo Metropolitan Government Bureau of Waterworks demonstrated its experience and expertise at the design stage of the Water Supply and Sewerage Project in India as assisting the concerned Indian organizations.

Japan, as well, organized the “ODA Partnership Seminar” with the discovery of cooperation opportunities with Japanese organizations as one of its objectives. In 2007, 17 organizations from all over Japan visited Indonesia to participate in this seminar. The participants, even after returning, make lively discussion and exchange opinions among the involved groups regarding the possibility of continued cooperation and others.

Also, cooperation agreements have been concluded with 12 universities for reinforcing collaborative relationships in ODA performance. Japan aim at wide-ranging cooperation with academia and local governments for efficient and effective implementation of ODA projects.

[See also Box 2 on page 78 on scientific cooperation for global issues utilizing the expertise of academia, etc.](#)

### **(d) Collaboration with Local Governments and NGOs of Developing Countries**

Working together with the local governments in developing countries and international and local NGOs is also important. Japan supports economic and social development through Grant Assistance for Grassroots Human Security Projects. This cooperation is highly admired even among developing countries as careful, detailed, and rapid support with direct benefit at the grassroots level. The collaboration can strengthen NGOs and local civil societies, in addition to benefiting improving various situations in developing countries. In 2007, as inhabitants of the Qiyas Village, Fara’a, District, Ibb Governorate, a steep mountainous region in Yemen, suffered from an unhygienic water supply system that can cause spread of Malaria, Japan assisted the Fara’a Local Council in Ibb Governorate for implementing a water network improvement project.<sup>11</sup> Specifically, the assistance set up water pumps and laid water supply pipelines to improve its communal water supply. It also comprehensively enhanced the living conditions in the village such as education and healthcare.

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11 “The Project for Providing Water Supply System in Qiyas Village, Fara’a, Ibb Governorate.”



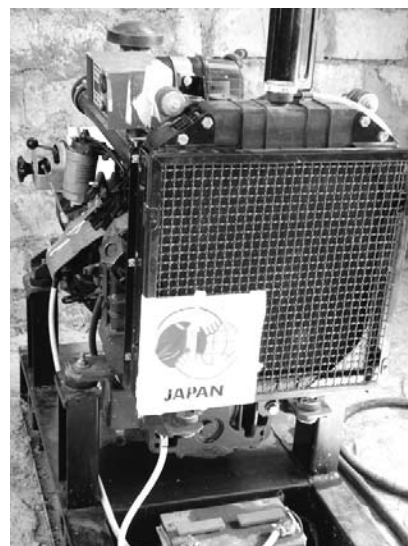
**(e) Collaboration with International Organizations and Other Countries.**

In the past few years, the tendency on development assistance has shifted to results-oriented both domestically and internationally. Consequently, various aid-related organizations accelerate themselves to collaborate with other entities for attaining shared international community targets such as the MDGs. Taskforces have already been formed in many developing countries to engage in aid cooperation in each sector, such as healthcare and education. As well, program-type support has been given in accordance with the sectoral development strategies in those countries. Japan too, participates in many of these programs, including education in Bangladesh, agriculture in Tanzania, and water in Bolivia.

Furthermore, with a focus on the regions of Africa and Indochina, joint assistance strategies and framework papers on assistance cooperation have been drawn up. Japan is involved in these framework papers in Uganda, Zambia, Ghana, Tanzania, Viet Nam, Cambodia, and Laos, amongst others.

In enlivening efforts for aid coordination in this way, Japan positions coordinators for economic cooperation in its diplomatic missions in the countries of Africa that are particularly active in aid coordination (Uganda, Ethiopia, Ghana, Kenya, Zambia, Sudan, Senegal, Madagascar, and Mozambique) to carry out specialized aid coordination. The coordinators are engaged in work for strengthening ties with the governments of other countries, aid implementing agencies, and NGOs. The duties include information gathering, exchanging opinions, and outgoing correspondence.

[See page 150 for collaboration between Japan and other donor countries.](#)



A water pump supplied by the Government of Japan (Yemen)

## 2. Increasing Public Participation

### (1) Broad Participation by Japanese Citizens from All Walks of Life

As Japan's ODA is mainly financed by taxes, sustaining ODA indispensably requires efforts to gain public understanding and support from Japanese citizens toward ODA through promoting public relations and development education. As well, encouraging citizens for wide-ranging participation in international cooperation can expand human resources on international cooperation.

To expand the participation of the Japanese public on the basis of this concept, the government institutionally promotes public involvement in the formulation and implementation of international cooperation at various levels. For example, Country Assistance Programs, drafted with exchanging ideas and opinions with NGOs, the economic sector, and experts, are put up on the MOFA website for public comments to gather views from a wide spectrum.

#### ● Japan Overseas Cooperation Volunteers and Senior Volunteers

Concerning participation of Japanese citizens from all walks of life in ODA, there are programs like the Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers. The JOCV is a citizen-participation instrument which dispatches the youth between the ages of 20 and 39 for two years to volunteer for the people of developing countries, which may lead to assisting social and economic development. JOCV has a long history, spanning more than 40 years, and it is one form of visibility of Japanese aid that has been highly praised overseas. As of June 2007, the cumulative total of dispatched members surpassed 30,000. By the end of FY2007, Japan dispatches 31,371 JOCV to 82 countries.

The corresponding project for seniors is a public participatory project under which the government supports the activities of senior citizens between ages 40 to 69 who possess a wide range of skills and abundant experience and wish to contribute to the development of developing countries on a volunteer basis. Launched as "Senior Cooperation Experts" in FY1990, "Senior Volunteer", renamed in FY1996, is a volunteering system serving as the senior version of JOCV. By the end of FY2007, a total of 3,373 senior volunteers were dispatched to 56 countries.

To diversify the forms of participation in JOCV and



Shintaro Ito, State Secretary for Foreign Affairs, giving a speech to mark the concluding ceremony of the training for the Japan Overseas Cooperation Volunteers and Senior Overseas Volunteers prior to their dispatch (Nihonmatsu, Fukushima)

Senior Volunteer, a system for on-job participation by teachers and short-term dispatches of less than one year were introduced, setting in place an environment which is easier for the people to take part in.

#### ● Increasing Civilian Interest in International Cooperation Activities and NGO Activity

As a form of citizen's participation in international cooperation, one of the most easily accessible areas is supporting and participating in NGOs being active internationally. The number of Japanese NGOs has increased rapidly particularly after enacting the Law to Promote Specified Nonprofit Activities (the "NPO Law") in 1998. The figure now reaches 34,941 organizations.<sup>12</sup> Of these, it is said that around 400 are engaged in international cooperation activities. As well, the number of people wishing to take part directly in international cooperation projects locally in developing countries has also been rising year by year. Japanese NGOs have found themselves as a receptacle for such people, and they are expected to work in helping to expand ODA application and develop top level human resources in the field of international cooperation. By operating the above activities, Japanese NGOs can be aid entities to transmit Japanese way of thinking in addition to development itself.

<sup>12</sup> As of 30 June 2008.

### ● Programs for Promoting Citizens' Participation

The government's programs for promoting citizens' participation include the following (see also [Information Disclosure and Transmission](#) on page 142 for further details):

#### *“Global Festa JAPAN”*

Held annually in Hibiya Park (Tokyo) in commemoration of International Cooperation Day, October 6.

#### *“Let's talk about International Cooperation”*

A dialogue with citizens pertaining to international cooperation.

#### *“The ODA On-Demand-Delivery Lecture”*

Gives lectures by officials from MOFA to schools, local government, and NGOs regarding international cooperation.

#### *“ODA Citizen Monitoring Program”*

Offers opportunities for the general public to observe actual implementation in developing countries.

## (2) Human Resources Development and Development Research

### (a) Human Resources Development

Due to the increasing diversity and complexity of development issues, recruiting and developing personnel with sophisticated knowledge, abundant experience, and communication skills in foreign languages is essential today for effective and efficient implementation of international cooperation. In 1990, the Foundation for Advanced Studies on International Development (FASID) was established to serve as an organization for promoting the concept of an international development university. FASID provides various types of training for capacity building relating to development theory, policy, and operation to a broad segment of society including government-related persons, NGOs, and persons associated with private sector enterprises. It also conducts research concerning important topics in the development assistance field and widely publishes the results of this research.<sup>13</sup> In April 2000, in cooperation with the National Graduate Institute for Policy Studies (GRIPS), FASID established a joint international development program in the master's course of this university. Furthermore, FASID dispatches experts for giving lectures to development cooperation related university departments.

Since before its merger with the former JBIC, JICA has expanded training for assistance personnel, ranging from the junior specialists system for the development of young



National Graduate Institute For Policy Studies (GRIPS) implementing an international development program in English  
(Source: GRIPS (Photographer: Masao Nishikawa))

specialists who possess a certain degree of expertise yet lack experience and an international cooperation specialists system for those who already possess a certain degree of specialization and experience. These efforts can promote human resource development for Japanese ODA projects, and meet the immediate staffing needs of NGOs, international agencies, and other organizations.

In addition, the JICA International Cooperation Personnel Registration System has been established to provide an effective means of recruiting and utilizing motivated personnel with specialized skills. This system provides information on job openings, staff registration, information on various types of training and seminars, and career development consultations for international cooperation-related bodies such as JICA, NGOs, and international organizations. Furthermore, the Institute of Developing Economies Advanced School (IDEAS) of the Japan External Trade Organization (JETRO) provides training aimed at developing highly-skilled development experts, so as to contribute to the economic and social development of developing countries. The activities of this school are broad and diverse in scope, with training provided to foreigners as well as Japanese people.

### (b) Development Research

In order to provide effective and efficient assistance, it is essential to ascertain the needs of developing countries and assistance trends in the international community. For this reason, Japan is engaged in proactive efforts directed toward research studies and application of the knowledge acquired through such studies.

JICA's former Institute for International Cooperation has organized study groups that consisted primarily of

<sup>13</sup> <http://www.fasid.or.jp>

people affiliated with JICA. As the institute obtained knowledge from external experts from universities and research institutes depending on the study content, it carried out project strategy research, providing analysis and advice for the establishment of project strategies in new fields relating to international cooperation and analysis of assistance trends and conceptualization of development theory. Furthermore, the institute was engaged in research on assistance methods, which systematized project experience and considered assistance management methods. In 2007, it conducted a study with other donor and recipient countries and international organizations, "Effective Technical Cooperation for Skill Development." A report on this research was made at the 3rd High Level Forum on Aid Effectiveness, held in Accra, Ghana, in 2008, and other vital activities were carried out.

As part of assistance to ensure that the development policies and projects of developing countries are formulated and implemented effectively and efficiently and that more significant results are achieved, formerly JBIC Institute (JBICI), which had been in place in the former JBIC until October 2008, carried out surveys and research into various issues relating to the economies of developing countries, development policy, institutions, and projects by using the knowledge of researchers in Japan and abroad, giving rise to a number of results including offering policy advice through diverse publications, field-level seminars, and international conferences.

In the founding of New JICA in October 2008, separate clauses were stipulated in the law regarding survey and research projects, as a result of the recent ODA reforms, trends in the international community, and the growing necessity for survey and research work. In line with this, a development institute has been established in New JICA. This institute is to examine and make suggestions for improving aid effectiveness, while it is to carry out research that can send a strong message on Japan's efforts abroad and that can expand the value of Japan's development assistance. The target of study in the developmental research of New JICA extends to the wide-ranging developmental challenges and policies of developing countries, and it is not limited solely to concerned parties at home. While allowing consideration for transmission to the governments of developing countries and the international donor community, empirical and policy-oriented research that relies on a theoretical framework is to proceed. The present scope of

research spans the four areas of (1) peace and development; (2) growth and poverty reduction; (3) global issues such as climate change; and (4) aid strategies.

[See Box 4 on page 129 for details on the founding of New JICA.](#)

At the Institute of Developing Economies (IDE) run by the Japan External Trade Organization (JETRO), researchers take the initiative in collaborative studies on politics, economy, and society of developing countries, jointly carried out by experts at Japanese and overseas universities and research institutions. In FY2007, for instance, IDE promoted studies with emphasis on four areas of: China and India; regional integration of East Asia; poverty reduction; and development strategies.

### (3) Information Disclosure and Transmission

As a source for ODA is mainly derived from the taxes, it is necessary to gain wide understanding and support from the general public in order to sustain projects. For that reason, publicity and development training are being tackled in MOFA and the aid implementing agencies. These activities can expand the pool of human resources to work in international cooperation.

#### (a) Public Relations and Information Disclosure

Concrete measures to provide information on international cooperation and opportunities to gain information about Japan's cooperation projects include the issuance of government publications such as the ODA White Paper and the Diplomatic Blue Book, as well as the following:

#### ● Websites, E-mail Magazines, and Newspapers

Designed to enhance disclosure of information relating to ODA, the websites of MOFA, JICA, and the Plaza for International Cooperation,<sup>14</sup> as well as other organizations relay timely information concerning international cooperation and provide introductions to international cooperation in easy-to-understand formats.

In addition to the websites, MOFA also issues the e-mail magazine. The magazine relays information relating to economic cooperation and includes episodes written by officials on overseas diplomatic missions, JOCVs, and Senior Volunteers about their actual experiences in the fields. Anyone can receive the magazine by registering on the ODA website, and as many as 14,800 people have now

14 <http://www.mofa.go.jp/mofaj/gaiko/oda> (MOFA).  
<http://www.jica.go.jp> (JICA).  
<http://www.apic.or.jp/plaza> (Plaza for International Cooperation).





"Kokusai Kyoryoku Newspaper" published each month

registered (as of April 2008).

MOFA also issues the *Kokusai Kyoryoku Newspaper* (International Cooperation Newspaper) that contains the latest information regarding international cooperation on a monthly basis. The newspapers are distributed to educational institutions, libraries, and similar locations around the country.

#### ● Dialogue with the Public

As part of efforts to promote dialogue with the public, symposiums named "*Kokusai Kyoryoku ni Tsuite Katara* (Let's talk about International Cooperation)" are held twice per year (in Tokyo and Osaka) to inform the public about trends relating to ODA and introduce Japanese efforts. At these symposiums, with a goal of listening directly to the opinions of the general public, question and answer sessions relating to development assistance are held between experts, staff members of MOFA, and the general public.

As a more flexible way to promote dialogue with the public, MOFA began the ODA On-Demand-Delivery Lecture in 2005. In the lecture series, personnel from the International Cooperation Bureau of MOFA visit junior and senior high schools, universities, local governments, NGOs, and similar venues to describe various topics on international cooperation. The lecture series has now been held 40 times (as of March 2008).

#### ● ODA Citizen Monitoring Program

The ODA Citizen Monitoring Program, commenced in 1999, is a project that enables the general public who are interested in international cooperation opportunities to visit actual ODA project sites and observe Japan's ODA projects firsthand in developing countries. Through this



Participants working as monitors, inspecting work training of local residents (Honduras)

(Source: APIC)

program, participants can deepen the understanding of the significance and importance of international cooperation, as seeing the projects in developing countries with their own eyes. It can promote Japan's ODA and international cooperation via the opinions and reports by the participants. By FY2007 a total of 704 monitors had viewed 479 ODA project sites in 28 developing countries in Asia, Africa, and Latin America. Participants have reported, for example, that they have deepened their understanding of the role that ODA plays in the development and stability of developing countries and of the need for such assistance.<sup>15</sup> Even more, some of the participants decided to take part in international cooperation such as becoming a member of JOCV and Senior Volunteers, as highly motivated by the observance during the monitoring program.

#### ● Television Programs for Public Relations in Japan

Since FY1997, a series of regular programs have been televised for promoting the understanding of international cooperation to the general public. Using footage showing Japanese people and local inhabitants working hard in developing countries, they introduce to viewers the conditions that exist in developing countries and the need for assistance, along with the implementation and results of projects.

In 2007, four-minute programs called "*Chikyu Supporter* by Tomohiro Sekiguchi" were televised on TV Tokyo. With Tomohiro Sekiguchi as presenter, the programs featured Papua New Guinea, Malaysia, Ghana, China, Brazil, Sri Lanka, and the Maldives. The average viewing figures reached 5.4%. Due to the great number of requests received, an omnibus edition was broadcast nationwide on satellite.

<sup>15</sup> The ODA Citizen Monitoring Report can also be found on the MOFA website (Japanese Only). The URL is <http://www.mofa.go.jp/mofaj/gaiko/oda/shimin/monitor.html>.

## ● Global Festa JAPAN

Since 1990, the International Cooperation Festival has been held annually on International Cooperation Day (October 6)<sup>16</sup> as Japan's largest international cooperation event. In order to encourage participation by the younger generation and others who are less familiar with international cooperation, the name of the event changed to Global Festa JAPAN in 2005. Cosponsored by MOFA, New JICA, and JANIC (Japan NGO Center for International Cooperation), the event is held on Saturday and Sunday at Hibiya Park in Tokyo. Over 200 organizations including NGOs, international agencies and embassies of various countries present exhibits at the festival. In order to deepen the familiarity with international cooperation of visitors and promote their understanding of the state and necessity of international cooperation, including ODA, and of cooperation between governments and NGOs, presentations are given in the tents of exhibiting organizations, and many enjoyable events are held, including dances, music, quiz contests, charity runs, and workshops. In 2007 the theme of "Family and Earth" was adopted, with a view to promoting understanding of international cooperation and developing countries by encouraging visitors to think about relations in the family, which is the center of our daily lives, through to the neighboring region, the environment, and the world. The 2007 festival was the first to attempt to gain the support of private sector enterprises. Exhibits and attractions were also presented at company booths, showing visitors that Japan's international cooperation is supported by private enterprises as well as government, international agencies and NGOs. In all, approximately 80,000 visitors attended the event over its two day duration.

### (b) Development Education

Development education encourages interest and understanding among children towards international cooperation and global development issues, and it can foster motivation for international cooperation. Development education and issues faced by developing countries are taught as part of the learning objectives for the "Period for Integrated Study," a course implemented nationwide at schools of all three levels of elementary, junior high, and senior high school.

In order to promote development education, MOFA has a variety of proactive efforts in place. For instance, it launched a website to promote development education in compulsory education at elementary and junior high



"ODA On-Demand-Delivery Lecture" which staff from the Ministry of Foreign Affairs going out to universities and high schools

schools, "*Tanken Shiyo! Minna no Chikyū* (Let's Explore Our Planet)" on its own website, while video and other materials are often provided on the Plaza for International Cooperation website. Since 2003, the "Contest of Development Education / International Understanding" has also been held annually.

In the ODA Citizen Monitoring Program, a "high school student framework" has been in place since 2007 to complement the "teacher framework" that already existed, and the participation of pupils themselves is now being promoted. Moreover, with the "ODA On-Demand-Delivery Lecture," officials from MOFA are dispatched to schools. Directly hearing people who are actively participating in development assistance talk about ODA policies and international cooperation is useful as a learning resource for pupils.

JICA too, disseminated development education since before the inauguration of New JICA. For example, in response to the requests of local governments that promote regional internationalization and from schools themselves, "lectures on international cooperation," where JOCVs are sent to schools as teachers, are held along with essay contests and so on targeting nationwide junior and high school students. Support is also now provided for educational specialists, or teachers, in the form of the "Practical Development Education Seminar" and "Development Education Study Tour for Teachers." In 2006, the "JICA Global Plaza" opened its doors as a base point for public participatory cooperation work, attracting approximately 89,000 visitors in 2007.

The former JBIC also held group learning occasions for students on school trips and dispatched personnel. As well, it carried out the "ODA Loan Partnership Seminars"

16 On 6 October 1954, Japan's participation in the Colombo Plan was given cabinet approval, and economic cooperation began. 6 October was set as "International Cooperation Day" in 1987, via cabinet approval.



and “Student Thesis Contests” for undergraduate and graduate students.

### (c) Enhancing Dissemination of Information to the International Community

In addition to public relations within Japan, it is also important that Japan’s active international contribution through ODA is correctly understood and supported overseas. Traditionally, with the objective of having Japan’s assistance and contribution in individual projects overseas evaluated correctly, Japan has participated in interviews with the local press in addition to offering press releases at signings and handover ceremonies, attaching Japanese flag stickers (in English and Arabic) and the Japanese ODA logo (in English, French, Spanish, Arabic, Portuguese, and Chinese) to goods supplied through assistance, and setting up signboards next to buildings completed through assistance.

Japanese overseas diplomatic missions have arranged visits to Japan’s ODA project sites for the local press and created opportunities for the local media to gather information on Japan’s cooperation projects. Furthermore, Japanese embassies disseminated information via various lectures, websites, e-mail bulletins in both English and local languages. Various pamphlets concerning Japan’s international cooperation are also produced. To other donor countries and organizations, Japan takes active measures to disseminate information through daily diplomatic efforts and international conferences, as well as through various symposiums, seminars, and websites.



Japanese flag sticker  
(in Arabic)



Japanese ODA logo  
(in Portuguese)

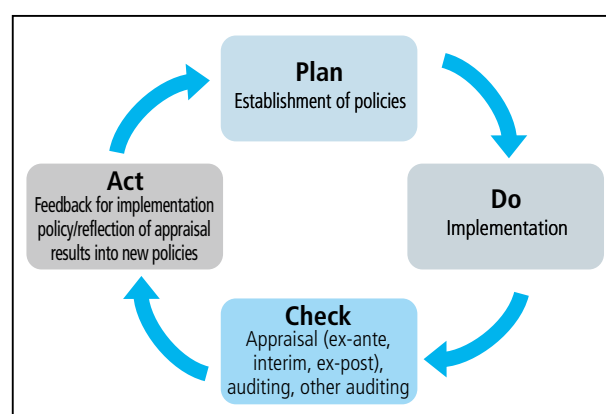
## 3. Matters Essential to Effective Implementation

### (1) Enhancement of Evaluation

In order to implement ODA more effectively and efficiently, it is important to get appropriate and accurate knowledge of the implementation process and the effects in order to improve them when necessary. It is also important to explain to taxpayers how ODA is used and how effective it is. To this end, relevant ministries and agencies including MOFA as well as implementing agencies such as JICA conduct monitoring and evaluation.

ODA evaluation is positioned in the framework of PDCA Cycle (Plan → Do → Check → Act). The evaluation results provide feedback to the departments in charge and Japanese embassies overseas, so as to contribute to improving the formulation and implementation of ODA policy. The results are also conveyed to the parties concerned in recipient countries and released to the general public through websites and other resources to ensure accountability.

Further, the ODA Evaluation Workshop is held each year to improve the evaluation capability of developing countries and systematize results-oriented evaluation, with the participation of various Asian countries and international organizations. In 2007 it was jointly held in Kuala Lumpur with the government of Malaysia (with MOFA and the former JICA and JBIC as the Japanese side).



PDCA cycle

### ● Policy-level and Program-level Evaluations

Evaluations conducted by MOFA focus particularly on policy-level evaluations (country policy evaluations and priority issue evaluations) and program-level evaluations (sectors and aid modalities). In 2007, country evaluations verified the assistance for Sri Lanka, Indonesia, China,

Mongolia, Nicaragua, and Tunisia. The main focus of the evaluation included consistency with the aid demands of these countries, the effects of assistance, and the appropriateness of the implementation process.

The evaluation for the assistance for Indonesia, for instance, confirmed that as some of Japan's aid policies were established through close policy dialogues with Indonesian government-affiliated parties and experts, not only were Japan's policies of a high level with a great deal of consistency with Indonesia's medium-term development plan, but also evaluation effects highlighted facts such as that they complemented the support from other donor countries, and thus were suitable. Efforts such as the Supporting Development of Eastern Indonesia Program were reported to have appropriate aid implementation processes. As a forward-facing proposal, based on the changing development needs of Indonesia and the fact that bilateral relations have entered a new phase, the precedence of support for the country has been highlighted as requiring reconsideration.

Priority issues evaluations were also implemented, targeting the "Basic Education for Growth Initiative (BEGIN)" and "Japanese Assistance to Africa through the TICAD Process." These evaluations assessed relevance of Japan's policy with the undertakings of the international community, the effectiveness of the ODA projects, and the appropriateness of the process. In the evaluation of "Japanese Assistance to Africa through the TICAD Process," not only was it confirmed that consistency in the support with leading international frameworks and Japan's high-level policies was being well maintained and that it was being effectively realized in the area of debt relief, but also that various wide-ranging successes had been recognized in region-wide and South-South cooperation, and as such the support process was generally viewed as being suitable. As a forward-facing proposal, the evaluation concludes that it is desirable to further promote comprehensive support incorporating the provision of infrastructure, an area where Japan puts particular effort among major donor countries, with "software" such as skills transfer and human resources development.

In program-level evaluations, a joint evaluation with USAID, the US-Japan Partnership for Global Health, was implemented. As well, as evaluations by the governments and organizations of developing countries, "Japanese Development Assistance to Malaysia Project," "Japanese ODA on Consolidation of Peace and Security in Africa,"

and "Japanese Cooperation in El Salvador's Eastern Region" were executed.

### ● Project Level Evaluations

Evaluation of individual projects is one of the areas to be enhanced, as it is important for publicly accountable, effective, and efficient aid. For all Japanese ODA loan projects, the former JBIC conducted ex-ante evaluations at the preparatory stage of all the projects. Two years after the completion of projects JICA, formerly JBIC, conducts ex-post evaluations by external evaluators in accordance with international standards for evaluation of relevance, efficiency, effectiveness, impact, and sustainability. In order to develop a more thorough evaluation system, JBIC conducted mid-term reviews since FY2004 to verify the appropriateness and effectiveness of the project plan five years after the conclusion of loan agreements, along with ex-post monitoring seven years after the completion of projects to verify effectiveness, impact, and sustainability.

Furthermore, impact assessments that quantitatively analyze the effect of ODA loan projects on local residents were conducted. For example, in addition to the ex-post evaluation of "Social Sector Development Project in Amazon Area / Social Sector Development Project in Sierra Area" in Peru, thematic evaluation concerning the Improvement of Living Environment and Livelihoods in Poor Communities was conducted. This evaluation, which employed econometric techniques, analyzed the impact of small-scale infrastructure projects (e.g., water supply, roads, small-scale electrification) on residents financed by a social investment fund<sup>17</sup> established under the Fujimori administration. As a result, the evaluation confirmed that water drawing time was reduced and the incidence of diarrhea among children under six declined in beneficiary households in regions in which water supply projects were implemented in comparison with regions in which they were not. It also suggests that small-scale electrification projects led to an increase in business start-ups among beneficiary households.

In technical cooperation, JICA had worked consistently to conduct evaluations at each project stage: prior to commencement, during implementation, at the time of conclusion and following completion. In addition, the recommendations and lessons learned through these evaluations were systematically fed back to inform project planning and implementation. Furthermore, in order to enhance

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17 FONCODES: Fondo de Cooperación para el Desarrollo Social.

the transparency and objectivity of evaluations, the participation of outside experts in evaluations has been expanded through, for example, secondary evaluations by outside experts of the results of evaluations at the time of conclusion and the inclusion of comments by outside experts in the results of ex-post evaluations.

MOFA, as well, has conducted ex-post evaluations of projects since FY2005 to check how facilities and equipment are used and how effective they are in identifying problems and difficulties of each project. The projects subject to evaluation until 2006 were only those in excess of ¥1 billion, but in 2007 the scope was enlarged to target all general grant aid projects and grant aid for fisheries for which four years has passed since completion. In 2007, ex-post evaluation was conducted for 115 projects in 55 countries. For 98 of these, MOFA carried out primary assessment subsequent to third-party secondary evaluations to verify the validity and appropriateness of primary evaluations. Furthermore, project-level ex-post evaluations by sector, country, and region have been conducted through third-party entrustment. The lessons obtained from those ex-post evaluations are reflected in the development and implementation of new projects.

#### ● Seeking a Comprehensive Evaluation System Suited to the Inauguration of the New JICA

Under the New JICA inaugurated in October 2008, study is now underway to establish a monitoring and evaluation system suitable for all assistance instruments, be it technical cooperation, loan aid, or grant aid. With respect to the program-level evaluations performed respectively by MOFA and New JICA, it has been decided to set up an effective and efficient division of roles that eliminates overlap, with both offices performing coordination at the stage of evaluation plan formulation.

### (2) Ensuring Appropriate Procedures

Development without consideration for impacts on the environment or local societies may produce positive effects in the short-term, but in the medium-and long-term it can impede the socio-economic development of the country, and it therefore is contrary to the concept of sustainable development that Japan has traditionally promoted. Also, aid must be performed with a suitable and efficient procurement process, particularly in terms of its quality and cost.

In procedures for which adequate care is paid to effects exerted on the environment and society by implementation

of ODA, it is necessary for implementing agencies to formulate and utilize guidelines that give consideration to the environment and society. They must confirm that the ODA project gives proper consideration to the impact on the environment and to social impacts such as involuntary displacements of residents and the violation of rights of indigenous peoples regarding land and resources when implementing ODA. The formulation and utilization of guidelines serve to avoid negative effects from Japanese assistance on the environment and local communities to the extent possible. Moreover, the guidelines can lead to enhancing the transparency, predictability, and accountability of considerations for the environment.

Japan implements ex-ante confirmation of measures taken by developing countries in accordance with the various environmental and societal guidelines. In recent years, it has been working to further enhance those guidelines. Concerning loan aid, Guidelines for Confirmation of Environmental and Social Considerations have been in force since October 2003, after public consultations with a broad range of voices from academic experts, NGOs, and others. The new guidelines stipulate consideration of not only environmental factors, but also social aspects such as the resettlement of and the impact on indigenous groups and women. Concerning technical cooperation, similarly Guidelines for Environmental and Social Considerations were put into force in April 2004 after obtaining a broad range of views from outside JICA, including those of external specialists and NGOs. With regard to grant aid too, since 2006 support has been based on the “Guideline for Grant Aid Assessment.” In New JICA, inaugurated in October 2008, based on the specifics of each aid modality (technical cooperation, ODA loans, and grant aid), the consolidation of the systems for Guidelines for Environmental and Social Considerations has advanced through advisory councils comprised of academic experts and NGOs.

In addition, a meeting of the Committee for the Appropriate Implementation of Grant Aid is held for grant aid projects to ensure the appropriate procedures for ODA. The meeting consists of specialists from the fields of international finance, development economics, law, accounting and information, as well as NGO-related parties. The opinions of these third parties are incorporated into the selection processes for grant aid projects. These committee meetings discuss extensively to aim at increasing the efficiency and transparency of grant aid projects, and the suggestions and recommendations at these discussions are reflected in aid operations.

As well, for the effective and efficient implementation of aid, much effort is exerted for appropriate and efficient procurement particularly on equipment and consulting services.

### (3) Prevention of Fraud and Corruption

Japan's ODA has the goal of contributing to the socio-economic development and the welfare of the developing countries and, given that taxpayers' money supports ODA projects, fraudulent use of the funds provided for assistance must be avoided. Accordingly, the government and the implementing agencies take steps to enhance the transparency and simplicity of procurement procedures.

During the procurement stage for ODA projects, tenders have been submitted by developing countries in accordance with guidelines for grant and loan aid. The results of these are verified by the implementing agencies, and steps taken to ensure transparency; not only is the name of the business receiving the order made public, but so too is the contract amount. For technical cooperation, JICA procures equipment, services, and so forth for implementing projects in accordance with provisions pertaining to procurement. In case improprieties are discovered relating to grant aid, loan aid, and technical cooperation, a mechanism has been set in place whereby firms that commit improprieties are disqualified from bidding or receiving contracts for projects for a certain period.

Efforts are also underway to increase the efficacy of auditing. External audits are being expanded and spot audits have been introduced, with the recommendations obtained from these audits being used to further measures aimed at improving the use of assistance. With regard to improving external audits of loan aid, a review by an external expert on the procedures for procurement is now being applied. For grant aid, external audits for Grant Assistance for Grass-roots Human Security Projects worth ¥3 million or more are obligatory in principle and are steadily implemented. JICA also uses external audits for technical cooperation to serve as accounting audits. With respect to the implementation of spot audits of loan aid, a mechanism has been introduced for audits that can be conducted where necessary for projects agreed upon by the governments after FY2002 in principle. For grant aid, "spot check without prior notice" was introduced from FY2004 to determine whether or not contract verification, which is the process of checking that all the contacts related to the projects are in line with the agreements between the governments concerned, has been carried

out pursuant to a set of standards. Meanwhile, for technical cooperation, internal audits are conducted through sampling.

Along with fraudulent acts related to bidding carried out within Japan for the purpose of participating in ODA projects, other improper conduct such as the inappropriate granting of funds to persons affiliated with foreign governments cannot be acceptable. Japan ratifies the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and as such it is strict in its handling of fraudulent business with foreign government parties, including application of the Unfair Competition Prevention Law, in order to ensure trust toward ODA projects, which use taxpayers' money as their main resource.

Improprieties were revealed in ODA loan projects in Viet Nam, and concerned parties in Japan were arrested. As a result, from the perspective of strict and appropriate execution not to lose trust in ODA projects, in August 2008, MOFA and the former JBIC announced measures to disqualify the applicable firm as a tenderer for loan and grant aid projects for a period of 24 months (by that point though, JICA had already taken it off the list of registered consultants). The government has also alertly warned the industrial associations covering major Japanese consultant firms involved in ODA projects against its members' possible misconducts. As for the inter-government relations, both of the governments of Japan and Viet Nam have seriously regarded the incident and confirmed the policy in a fresh light that the Vietnamese government would take stern measures against any corruption associated with ODA. Both governments have further set up Japan-Vietnam joint committee for Preventing Japanese ODA related Corruption, to discuss feasible preventive measures aimed at blocking recurrence of similar misconducts and winning back trust on ODA for Viet Nam.

### (4) Securing the Safety of Personnel Engaged in Development Assistance

Japan currently provides assistance using ODA to over 160 countries and regions, and the public order in the developing countries where ODA personnel involved in development operations varies considerably and changes constantly. In addition, since the terrorist attacks in the United States on September 11, 2001, tensions in the Middle East and South Asia have increased. As well, frequent global terrorist activities still exist. In implementing peace building activities, it is considerably critical how to

safeguard ODA personnel around the world. In Japan, the government examines the domestic security situation in the country through mainly Japanese embassies, provides safety and security information, and exchanges and shares information among people engaging in ODA. JICA takes measures such as providing particular training and seminars before they leave Japan, ensuring communication means in emergency situations in the destination, deploying safety officers,<sup>18</sup> and installing security equipment in the living quarters of ODA personnel. In addition, JICA prepares security manuals tailored to the security conditions of the various countries and regions by exchanging information with Japanese embassies and local offices of international organizations, and it implements other appropriate and timely security measures. As well, joint training for emergency and risk management is conducted with JICA and the Office of the United Nations High Commissioner for Refugees (UNHCR). The training offers the security maintenance skills of ODA personnel involved in peace building, and it tackles the strengthening of abilities in security management. In terms of grant aid, JICA operates briefings for consultants on safety measures, while also improving the system for communication during emergencies. As for loan aid, the government and implementing agencies make effort to provide safety information constantly to the Japanese firms that are to operate ODA projects.

### (5) Safety Management in ODA Projects

On 26 September 2007, an accident occurred at the site of the Can Tho Bridge Construction Project, a Japanese ODA loan project in Viet Nam, where the beams collapsed during construction. It killed as many as 55 people and injured 79 casualties (as of end of August 2008). Japan launched the “Review Meeting on Prevention of the

Recurrence of the Can Tho Bridge Collapse” in November 2007 to investigate measures for preventing a similar incident from occurring in future ODA projects, based on the investigation into the accident conducted by Viet Nam’s State Committee for Investigation into Can Tho Approach Bridge Collapse.

In 2008, Viet Nam’s State Committee for Investigation into Can Tho Approach Bridge Collapse publicized the details of the final report on the causes of the accident. Subsequently, the Review Meeting adopted the “Proposals to improve project monitoring and supervision and to prevent the reoccurrence of accidents in Japanese ODA loan projects” in July.

The proposals, based on the lessons learned from the Can Tho Bridge incident, highlighted the necessity to strengthen the safety measures by the implementing agencies, the government of borrowing countries, consultants, and contractors, as well as to build up mechanisms to support any insufficiencies. The Japanese government and aid implementing agencies are to take the measures incorporated in this proposal swiftly. Based on these developments, JBIC, as it then was, set up a Safety Measures Technical Advisory Group for ODA loan projects. The advisory group ensures that large-scale and complicated construction work can receive adequate technological advice from experts in a range of fields.

Furthermore in May 2005, Japan dispatched experts on safety management and quality maintenance for public work projects, at the request of the government of Viet Nam as part of its response to the collapse of the Can Tho Bridge. The experts introduced Japanese safety management and quality maintenance in its public projects to the Ministers of Transport of Vietnam as well as Construction of Vietnam. Thereby, they shared the recognition for the importance of these efforts.

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<sup>18</sup> In order to strengthen safety measures in local areas, since before the merger JICA has employed as safety officers those people who are well versed in the security and safety measures of the country concerned. In this way, JICA seeks the capabilities of collecting and offering information and around-the-clock response to a wide range of tasks from housing security to traffic accidents.