

Section 5

Formulation and Implementation of ODA Policy

The ODA Charter categorizes measures for providing more efficient and effective ODA into three parts: “system for formulation and implementation of ODA policy,” “increasing public participation,” and “requirements for implementation of strategic and effective assistance.”

1. System for Formulation and Implementation of ODA Policy

(1) Formulation of Consistent Aid Policy

In August 2006, the Ministry of Foreign Affairs (MOFA) reorganized the Economic Cooperation Bureau and established the International Cooperation Bureau. The International Cooperation Bureau comprehensively plans and drafts ODA policies, while also playing a central role in coordinating throughout the entire government. In July 2009, the International Cooperation Bureau underwent organizational reform to strengthen the ODA policy planning and proposal function of MOFA. The Aid Policy Planning Division, that oversaw the planning and proposal of ODA policy, and the Grant Aid and Technical Cooperation Division and the Loan Aid Division that oversaw aid schemes, were consolidated, thereby

strengthening the Country Assistance Planning Divisions. This organizational reform has made it possible to provide loan aid, grant aid, and technical cooperation in a unified manner through three Country Assistance Planning Divisions under the newly established Development Assistance Policy Coordination Division.

In addition, efforts are being made to further increase the collaboration among divisions related to bilateral aid and multilateral aid, strengthen the strategic nature of international cooperation, and implement more effective aid. Moreover, by sharing information and views among related agencies, the knowledge and experience of those agencies are being reflected in ODA policies.

(2) Partnership between the Government and Implementing Organizations

MOFA works with the aid-implementing organization JICA to enable the prompt utilization of each type of aid implementation policy such as the Priority Policy Issues for International Cooperation that MOFA formulates each fiscal year.

In October 2008, JICA, which had implemented technical cooperation and promoted grant aid, and the overseas economic cooperation division of the former

Japan Bank for International Cooperation (JBIC), which had been in charge of providing ODA loans and other loan aid, were merged into a new JICA. A portion of the work related to implementation of grant aid that had been handled by MOFA was transferred to JICA, making it a comprehensive aid organization that provides technical cooperation, loan aid, and grant aid, in an integrated manner.

(3) Strengthening Policy Dialogue

Japan holds detailed policy discussions and works to share awareness and understanding with developing countries, in order to implement development assistance in a more effective manner. Although Japan implements ODA with its emphasis on requests from developing countries, from the perspective of supporting their self-help efforts, it also

deliberates on policies with governmental parties from the partner country, at a stage prior to the receipt of a request. The aim of these discussions is to understand the developing country's development policies and needs for assistance, and to coordinate them with Japan's assistance policies.

(4) Strengthening Functions at the Field Level

In order to strengthen policy dialogue with the recipient governments, Country-based ODA Task Force²³, consisting of the Japanese embassy and the local offices of JICA and other agencies in each country, has been established in each recipient country of Japan's ODA. The Task Forces also participate in decision making on country assistance policy and rolling plans of aid projects with good understanding on the development needs of the recipient country. The Task Forces also engage in discussions regarding policies with the governments of recipient countries. In addition, the Task Forces work together with other donor countries and international organizations to offer suggestions related to cooperation

with different ODA schemes, consider and select candidate projects for Japan's ODA.

Further, in order to meet a trend of aid coordination* at the field level including preparation and revision of the Poverty Reduction Strategy Paper (PRSP)*, Japan began to assign coordinators for economic cooperation at several overseas diplomatic missions since FY 2006. Their role is to collect information and implement research related to aid coordination, to disseminate information on Japan's aid policies to other countries, and to make recommendations to the Japanese government from the field.

* Glossary

Aid coordination

Aid coordination refers to the sharing of information by multiple donors and cooperation to formulate aid strategy and to plan and implement projects, etc., to increase the impact of assistance. In the past, aid coordination focused on collaboration and coordination between donors on individual projects, but in recent years, comprehensive aid coordination in which donors provide assistance under shared strategy and procedures in accordance with the development policies of the recipient countries has been implemented in Sub-Saharan Africa and other nations around the world.

PRSP: Poverty Reduction Strategy Paper

A document introduced in 1999 by the World Bank and International Monetary Fund (IMF) as a condition for heavily indebted poor countries (poor countries that have an enormous amount of debt) to receive debt relief. It is an action plan for socio-economic development with goals set every three years in the areas of education, healthcare, food security, and other areas, to provide funds not repaid due to debt relief for measures to reduce poverty. The Paper was created incorporating the views of representatives from donor countries, NGOs, research institutes, and the private sector, under the ownership (self-help efforts) of the governments of developing countries.

Note 23: Excluding some countries under the direct control of JICA Headquarters.

(5) Partnership with Various Actors

Japan engages in international cooperation in partnership with the private sector, NGOs, universities, local

governments, international organizations, and other donor countries.

● Partnership with NGOs

In recent years, NGOs have fulfilled an important role in the international community by recommending policies on major diplomatic issues such as development, the environment, human rights, trade, and disarmament. Japanese NGOs implement high-quality aid activities in developing countries, including education, health and medical care, rural development, refugee assistance, and mine clearance. In addition, Japanese NGOs provide prompt humanitarian assistance in areas affected by conflict or natural disasters like earthquakes. As NGOs

work at a grass-roots level where governmental assistance has difficulty reaching, NGOs are deeply familiar with the region and are able to provide suitable response to the needs of people, as well as to promote “Visibility of Japanese Aid.” Japan has advocated the promotion of partnerships with NGOs in the ODA Charter and other policies. Japan engages in a variety of collaborative measures related to NGO aid activities, including financial assistance, capacity building, and increasing dialogues between NGOs and MOFA.

a. Cooperation with NGO Projects

Japan cooperates in a variety of ways to enable NGOs to implement aid activities smoothly. For example, in FY 2011, 45 organizations utilized Grant Assistance for Japanese NGO Projects, which provides funds to grassroots-level socio-economic development projects by NGOs, to implement 81 projects, including the construction of schools, assistance for disabled persons, vocational training, and improvement of maternal and child health (the scale of the financial assistance has doubled over the last 5 years). In addition, as of July 2012, 36 NGOs participated in the Japan Platform, an emergency humanitarian aid organization established in 2000 through a partnership among NGOs, the government, and the business community. The Japan Platform utilizes ODA funds as well as donations from the private sector and individuals that have been contributed in advance to distribute emergency supplies and medical assistance

when a major disaster occurs. In FY 2011 a total of around ¥2.4 billion was disbursed for projects implemented by NGOs through the JPF in 8 countries, including projects assisting the victims of the Haiti Earthquake, the droughts in the "Horn of Africa", flooding in Pakistan, and humanitarian aid in South Sudan, Northern Sri Lanka, Afghanistan and Pakistan.

In some cases, JICA's technical cooperation projects are outsourced to the private sector including NGOs, putting to use the expertise and experience of NGOs, universities, and a variety of other organizations. Further, as part of its ODA activities, JICA conducts "JICA Partnership Program (JPP)"* to outsource projects that have been proposed by NGOs, universities, and local government bodies that directly contribute to the improvement of the lives of local residents in developing countries. In FY 2011, JPP provided funds for 219 projects in 48 countries.



Local Peruvian farmers manufacturing handicrafts with alpaca fur using equipment provided. (Photo: José Sato/Embassy of Japan in Peru)



A craft center in Tanzania assisting the employment of persons with disabilities. (Photo: Masayuki Hattori/Embassy of Japan in Tanzania)

b. Establishing Better Environment for NGO Activities

Further measures to support NGO activities include projects for establishing better environments for NGOs. For example, under the “NGO Consultant Scheme,” staff of Japanese NGOs who have experience and a favorable record of performance are commissioned by MOFA to address inquiries from the public and NGO stakeholders regarding NGO activities in international cooperation, or the management of NGO and development education. NGO consultants also provide site services at international cooperation events and conduct classes and seminars on international cooperation, and otherwise provide opportunities for many people to deepen their understanding of NGOs and international cooperation activities. Further, measures are taken to support NGOs in strengthening their organizations, capabilities and specializations, through hosting of “NGO study groups” that serve as workshops and symposiums on such themes as “International Cooperation NGO Fundraising (raising

funds for activities)” and “Strengthening the Capabilities of Local International Cooperation NGOs.

JICA also provides a variety of training for NGO staff. For example, JICA conducts (i) training for NGO organizational strengthening through the “Improve organizational skills! NGO Human Resource Development Training” for NGO staff that are to play active roles both domestically and overseas in future, (ii) Project cycle management (PCM)* method training to enable personnel to acquire project planning, proposal, and evaluation skills in developing countries, (iii) dispatching of advisors with suitable knowledge and experience to strengthen NGO’s institutional capacity in terms public relations, fundraising, and accounting, and (iv) dispatching of advisors to strengthen overseas NGO projects that provide expert guidance in strengthening abilities necessary to the effective implementation of projects in overseas.

c. Dialogue and Partnership with NGOs

Since 1996, MOFA has held the NGO-MOFA Regular Meetings to promote a stronger partnership and encourage dialogue between NGOs and MOFA. NGOs and MOFA are exchanging opinions regarding ODA policies and funding assistance for NGOs such as Grant Assistance for Japanese NGO Projects. Since 2002, the NGO-Embassy Meeting has been held to exchange ideas and opinions on the efficient and effective implementation of ODA among the staff of Japanese embassies, other assistance organizations and Japanese NGOs that work in developing

countries. The meetings have been held in 33 countries, including Nepal and Sri Lanka. JICA also hosts the NGO-JICA Meeting in order to promote the realization of effective international cooperation and the understanding and participation of civil society in international cooperation, based on an equal partnership with NGOs. In addition to supporting local NGO activities, Japan has also established an NGO-JICA Japan Desk in 21 countries to strengthen projects conducted jointly by NGOs and JICA.

* Glossary

JICA Partnership Program (JPP)

A technical cooperation program implemented by JICA as part of ODA to contribute to the development for people in developing countries at the grass-roots level in collaboration with partners in Japan willing to engage in international cooperation, such as NGOs, universities, local governments and public interest corporations. There are three types of JPP based on the size and nature of the organizations, which are classified as follows: (i) Partner Type (Project amount not exceeding ¥100 million and to be implemented within five years), (ii) Support Type (Project amount not exceeding ¥25 million and to be implemented within three years), (iii) Local Government Type (Project amount not exceeding ¥30 million and to be implemented within three years).

Project cycle management (PCM)

The PCM method is a participatory development method of utilizing a project overview chart to manage operation of the cycle of analysis, planning, implementation, and evaluation of a development assistance project. It consists of participatory planning, monitoring, and evaluation. The technique is used by JICA and international organizations, etc., at the site of development assistance.

● Partnership with Private Business

a. Public-Private Partnership (PPP) for boosting growth

Japanese private companies' activities in developing countries make significant contribution, by creating opportunities for local employment, augmenting tax revenue, expanding trade and investment, contributing to the acquisition of foreign currency, and transferring Japan's superior technology. In April 2008, Japan announced the "Public-Private Partnership for Growth in Developing Countries" - a new policy to strengthen partnerships between ODA and Japan's businesses and to promote activities by private businesses in developing countries. Through this, the government receives consultation and proposals from private sectors related to their activities which are conducive to economic growth and poverty reduction in developing countries, as well as public-private cooperation projects together with ODA.

In the past, 13 public-private partnership projects have been authorized including those which utilized Grant Assistance for Grass-Roots Human Security Projects. One instance was a project to utilize Grant Assistance for Japanese NGO Projects for mine clearance and unexploded ordnance disposal from farmland when Japanese businesses conducted herbal medicine cultivation in Laos. Another case was a project to utilize technical cooperation to invite a team of Mexican physicians to Japan for training of sophisticated medical technology (catheterization surgery) that had been developed by a Japanese company. (See page 18 for details)

Likewise, attention has focused recently on Corporate Social Responsibility (CSR) activities, in which private

businesses aim to contribute proactively to resolving the issues in local communities they enter, and also on BOP business*, which aims to contribute to improving lives and resolving social issues through businesses focusing on the low-income demographic. In cases where these activities are implemented by private corporations in partnership with local NGOs, it has been allowed to utilize Grant Assistance for Grass-Roots Human Security Projects and technical cooperation. In addition, Japan works on Public-Private Partnership* (PPP) that aim to implement highly public projects more efficiently and effectively, and provides consistent assistance from the planning stages of the project, such as institutional development and human resource development through technical cooperation, with utilizing Private-Sector Investment Finance or ODA loans.

Furthermore, at the Millennium Development Goals (MDGs) Follow-up Meeting held in June 2011, Japan announced the establishment of the "MDGs Public-Private Partnership Network." This network assists the smooth implementation of business and social contribution activities in developing countries by Japanese companies, and promotes their activities towards to the achievement of the MDGs through providing them with: information on the development needs of recipient countries; assistance in creating networks through introducing domestic and overseas NGOs, international organizations, and universities; and workshops on health and post MDGs, for example.

■ Cooperation Preparatory Surveys for PPP Infrastructure Projects and BOP Business Projects

To encourage participation to international cooperation from Japanese businesses with excellent technologies, knowledge and experience which are interested in overseas expansion, JICA provides two types of preparatory survey schemes based on private sector proposals. These schemes offer conducting a feasibility study* to private companies that submitted the proposals for PPP infrastructure projects and BOP business projects. In the past, JICA has selected 34 PPP infrastructure projects such as expressways, water supply and sewerage systems, and 52 projects related to BOP business projects in the areas of health and medical care and agriculture. In addition to utilizing the specialized knowledge, funds, and technologies of private sectors to resolve the development issues of developing countries, this gives a push to the

overseas expansion of private business as well.



Organic solutions staff engaged in the mobile retail of microorganisms cultivated in Rwanda. (Photo: Kenshiro Imamura/JICA)

■ Assisting Small and Medium Enterprises (SMEs)

It is crucial to incorporate the economic growth of rapidly developing emerging and developing countries for Japanese businesses in terms of their future growth. In particular, although Japan's small and medium enterprises (SMEs) possess superior products and technologies, due to insufficient human resources, knowledge and experience, many businesses have not embarked on overseas expansion. On the other hand, it is expected that such products and technologies will be utilized to resolve socio-economic issues in developing countries. In response to this situation, since FY 2012, MOFA has started needs surveys such as for the products and technologies of Japanese SMEs in developing countries, studies to formulate ODA projects, and outsourcing projects for proliferating products and technologies through ODA. This attempts to resolve development issues in developing

■ Private-Sector Investment Finance

The high risk involved in projects in developing countries often makes funding from private financial institutions difficult. Therefore, Japan uses JICA Private-Sector Investment Finance* to assist the development projects implemented by private businesses in developing countries through direct investment and financing. Regarding Private-Sector Investment Finance, the "Reorganization and Rationalization Plan for Special Public Corporations" announced in December 2001 stipulated that there would be no investment and financing except for projects authorized before the end of 2001. However, due to an increase in the necessity to respond to new demands of

■ Infrastructure Exports*

The "Ministerial Meeting on Deployment of Integrated Infrastructure Systems" was established to respond to the enormous infrastructure demand particularly in Asia, support efforts by private business in the infrastructure area, and make dynamic, cross-national, and political leadership. In this context, MOFA has appointed 126 "Specialists in Infrastructure Projects"* at 58 overseas

countries while contributing to the overseas expansion of Japanese businesses. Additionally, as to assist the development of global human resources required by SMEs, the "Private-Sector Partnership Volunteer System"*, which dispatches staff from SMEs to developing countries as Japan Overseas Cooperation Volunteers (JOCV) or Senior Volunteers (SV), while keeping their membership in enterprises was established in 2012. Through this system, Japan proactively assists to build SMEs' network within developing countries. Similarly, the Ministry of Economy, Trade and Industry (METI) has also assisted the overseas expansion of Japan's SMEs through the new Global Internship Program by dispatching young business persons, and a symposium on fostering global human resources co-hosted with JICA in November 2012. (For further details on assisting SMEs, see Part I, page 24).

high development impact through the private sector, a resumption was decided in June 2010, and trials of Private-Sector Investment Finance from JICA to private businesses were resumed in March 2011.

As a result, government review of a pro-poor micro-financing project (small-scale financing service) in Pakistan and an industrial human resource development project in Viet Nam was completed in 2011, and also in 2012 of a project related to an environmentally-friendly industrial park in Long An Province, Viet Nam. After that, it was fully resumed in October 2012.

diplomatic missions in 50 countries (as of October 2012), to strengthen systems for gathering information through overseas diplomatic missions, and enhance communication with related local organizations and chambers of commerce. In addition, the Prime Minister and members of the cabinet are leading Japan's marketing effort to receive orders for infrastructure projects.

b. Acceleration of ODA Loans Procedures

Public-private partnership has become widely recognized as necessary for development assistance to developing countries. It is important to produce development effects promptly through effectively incorporating ODA loans and private-sector business. From the standpoint of promoting effective public-private partnership (PPP) as well, further efforts are required to provide ODA loans at the same pace of private sector business activities.

While giving attention to ensure accountability and appropriate procedures, through ensuring ownership of the recipient countries, preventing fraud and corruption, and

considering the environmental and social impact of projects, Japan announced Measures to Accelerate ODA Loans Procedures in July 2010, with consideration to its “Measures to Accelerate ODA Loans Procedures” announced in 2007 and “Measures to Accelerate ODA Loans Procedures by Expediting Public-Private Partnerships” published in 2009. The measures include additional actions such as the implementation of “pre-pledges,” increasing the number of countries which hold on-site monitoring meetings and detecting problems at an early stage, and holding discussions regarding countermeasures.

* Glossary

BOP (Base of Pyramid) business

Refers to businesses that are expected to be useful in resolving social issues for low-income groups* in developing countries. Accounting for approximately 70% of the world's population, or about 4 billion people, low-income groups are attracting attention as a market with potential for growth. This type of business targets low-income groups as consumers, producers, and sellers, which is expected to be useful in providing sustainable solutions to a variety of local societal problems.

Examples: Hygiene products such as detergent and shampoo, water purifying agents, nutritional products, insecticide-treated mosquito nets, solar power panels, etc.

* Low-income group: The income bracket with an annual income per capita of \$3,000 or less in purchasing power parity. Purchasing power parity is determined by removing differences between price levels to make purchasing power between different currencies equivalent.

Public-Private Partnership using ODA (PPP: Public-Private Partnership)

A new method of cooperation in which governmental ODA projects are conducted in collaboration with private investing projects. Input from private businesses is incorporated at the formation stage of the project. For example, basic infrastructure is developed with ODA, while investing and operations/maintenance is conducted by the private sector. In this manner, roles are divided between the public and private sectors. The technologies, knowledge, experience, and funds of the private sector are then used in an effort to implement projects that are more efficient and effective, as well as to improve development efficiency.

(Areas for PPP: Water and sewer systems, airport construction, motorways, railways, etc.)

Feasibility study

Verification that a proposed project can be executive (achieved), and planning/formulation of a project that is suitable for implementation. An investigation regarding what possibilities the project has, whether it is appropriate, and what investment effect it will have.

Private-Sector Partnership Volunteer System

This system dispatches staff from SMEs to developing countries as Japan Overseas Cooperation Volunteers (JOCV) or Senior Volunteers (SV), and contributes to the development of global human resources of enterprises and the overseas business expansion. The country, occupation type, and duration of dispatch are determined in response to requests from private enterprises. Volunteers are dispatched to countries being considered for the expansion of a business, and it is expected that the culture, commercial practices, and technical level therein will be ascertained through activities, and that volunteers acquire not only language skills but also communication skills, problem solving skills and negotiating skills that will be put back into corporate activities upon their return.

JICA Private-Sector Investment Finance

Utilization of JICA's loan aid to provide the investment and financing required for development business implemented by Japanese private companies in developing countries. The projects of private businesses in developing countries create employment and lead to the revitalization of the economy, but in many cases there are a variety of risks and no outlook for high gains, so it is difficult to obtain sufficient funds from private financial institutions. Private-Sector Investment Finance by JICA is used to support development in developing regions by providing the investment and financing for such businesses. The aid targets (i) MDGs and the poverty reduction, (ii) acceleration of infrastructure development and growth, and (iii) measures against climate change. Unlike ODA loans, which consist of economic cooperation provided to the governments of developing countries, Private-Sector Investment Finance contributes to development by supporting the activities of Japanese private businesses that are conducted with non-governmental private businesses in developing countries.

Infrastructure Exports

This concept is related to infrastructure demands primarily from Asia which supports the efforts of private businesses in relation to overseas infrastructure upgrades by Japanese businesses such as electricity, railways, water, and road projects. It focuses not only on structural (hard) infrastructure such as facility construction, but assists as far as non-structural (soft) infrastructure upgrades such as the transfer of knowledge, experience and skills necessary to run the project, as well as human resource development related to administrative operation.

Specialist in Infrastructure Projects

Personnel assigned to individual overseas diplomatic missions to support infrastructure exports, by gathering and consolidating domestic and overseas information regarding infrastructure projects, and by serving as liaison for communication and coordination with related organizations, chambers of commerce, etc.

● Partnership with Universities and Local Governments

Japan utilizes the practical knowledge accumulated by universities, as well as local governments to implement ODA more effectively. JICA promotes the joint implementation of comprehensive technical cooperation and ODA loan projects to make it possible to utilize the specialized knowledge possessed by universities to address

the challenges of developing countries. In addition, JICA cooperates with local governments to utilize their knowledge and experience to work toward qualitative improvement of ODA projects, development of human resources for aid activities, and vitalization of regional project development.

● Partnership with Local Governments and NGOs of Developing Countries

Partnerships with local governments and NGOs in developing countries strengthen not only the socio-economic development of developing countries, but also lead to the strengthening of civil society and NGOs in those countries as well. Japan mainly utilizes Grant Assistance for Grass-Roots Human Security Projects to support socio-economic development projects implemented

by aid-related personnel. This financial cooperation has also received high praise in developing countries as a detailed and rapid form of assistance that provides direct benefit at the grassroots level including the construction of schools, upgrading of hospital basic medical equipment and digging of wells.

● Partnership with International Organizations and Other Countries

In recent years, from the perspective of improving the quality of aid and aid effectiveness, based on the Paris Declaration and the Accra Agenda for Action (AAA) and Busan Partnership for Effective Development Cooperation, various countries and aid organizations have been working to coordinate their aid policies in order to achieve international development goals such as MDGs. Currently, working groups have been formed for various development issues such as health and education in many recipient countries, and program-type assistance is being implemented in accordance with the sector development strategy of the recipient countries. Japan participates in many of these programs, such as the reform of local administration in Tanzania. Further, in 2005, Japan, the World Bank, the Asian Development Bank (ADB), and the UK's Department for International Development (DFID) have prepared a Joint-Strategy partners initiative for Bangladesh to support a poverty reduction strategy (PRS). Subsequently, the Joint Cooperation Strategy (JCS) to Bangladesh was formulated in June 2010 with the participation of 18 development partners to work together in coordination and collaboration for more effective and efficient cross-sectors assistance (for instance, having a link between health and education fields). Likewise, as specific cooperation with the Multilateral Development Banks (MDBs), in 2005 the Enhanced Private Sector Assistance for Africa (EPSA) was setup together with the Africa Development Bank (AfDB), and to date cooperation of over \$1 billion has been implemented to attempt to smoothly supply funds to Africa's private sector and promote private sector investment for upgrading of roads and electricity, etc. Furthermore, in 2012, together with the Inter-American Development Bank, Confinancing for Renewable Energy and Energy Efficiency (CORE) was set up as a co-finance framework with a vision of a maximum of \$300 million worth of cooperation over five years.

Recently, Japan has also been proactive in cooperation and collaboration with international organizations that have offices in Japan. Moreover, Japan promotes initiatives that aim for an effective partnership of multilateral aid and

bilateral aid. The objectives of this partnership are to reflect trends in international aid into the bilateral aid policies, and at the same time promote mainstreaming of Japan's bilateral aid methods which have comparative advantage, within the recipient countries and the international community.

In the past, members of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) have been the main donor countries in the international community, but in recent years, non-DAC member countries that are referred to as "emerging donors" such as China, India, Saudi Arabia, and Brazil have begun to have a significant impact on the development of developing countries. Within the framework of the G20 also, consultation on development issues has begun to be implemented not only by the main donor countries but also including emerging and developing countries. Japan has encouraged the emerging donors to promote aid coordination and harmonization with international efforts. For example, significant progress was made in the Fourth High Level Forum on Aid Effectiveness held in Busan, Republic of Korea in November 2011, that a new framework for cooperation to solve global issues called "Global Partnership" was created among DAC member countries including Japan, emerging donors, the private sector, and other organizations. Similarly, the Asia Development Forum was held in Bangkok in July 2012 to share the Asian experience in implementing development assistance.



Village meeting in Tanzania. Villages tackle community issues themselves. (Photo: Yoshiaki Kakizaki/JICA Tanzania Office)

2. Increasing Public Participation

(1) Importance of Promoting Public Understanding and Support

The “ODA Review Final Report” publicized in June 2010 emphasized the importance of obtaining public understanding and support for ODA.

MOFA and JICA provide opportunities to the public to experience ODA in the field so that a broad range of people can participate directly in the actual assistance of developing countries. Public participation is enhanced at a variety of levels in a variety of ways, which includes; encouraging discussions and dialogues regarding development assistance, promoting development education, publishing information regarding the current state of development assistance, and communication of such activities to a wide audience including those in local cities and various groups of people and organizations. At the same time, it is recognized that development of human

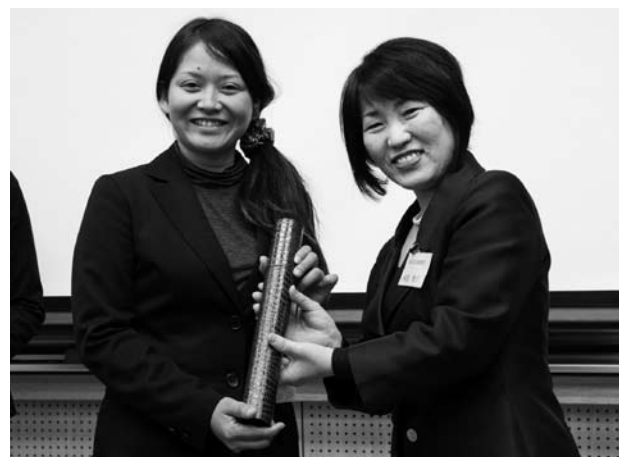
resources, developmental research and public-private partnership (PPP) are important to appropriately respond to the diversifying and increasing complexity of development issues. It is also important to promote an understanding of Japan's philosophy regarding development assistance in the international community; meanwhile the importance of partnerships with education and research institutions such as universities is also becoming more and more important.

Further, it is also very important, in implementing ODA projects to make efforts for the people in developing countries to understand Japan's assistance, and Japan enhances local public relations in collaboration between overseas diplomatic missions and local JICA offices.

(2) Direct Participation in Assistance to Developing Countries by the Japanese Overseas Cooperation Volunteers (JOCV) and Senior Volunteers (SV)

JICA implements the Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers (SV) programs to promote the participation in international cooperation by young people and a broad spectrum of Japanese citizens who have a variety of experiences. JOCV is a public-participation program that dispatches young Japanese aged between 20 and 39 to developing countries for two years, to assist the socio-economic development of those countries while living and working with the locals. JOCV has a history spanning nearly half a century, and is an example of the “Visibility of Japanese Aid” that has received high praise overseas over the years. SV, the corresponding JOCV program for elder male and female participants (aged between 40 and 69) who possess a wide range of skills and abundant experience, is a public-participation program. Through the program, the Japanese government supports the activities of people who are willing to assist the development of partner countries on a volunteer basis.

The volunteer programs, which forge consistent links between people, create grass-roots connections between Japan and developing countries, and have also the effect of deepening local people's affinity for Japan. This also contributes to the assistance received from various nations following the Great East Japan Earthquake. Similarly, in recent years attention has been drawn to the point that experienced volunteers can also contribute to the advance of the private sector into developing countries.



Ms. Yumiko Yamada of JOCV receives a letter of appreciation on her return from Mozambique from the Parliamentary Vice-Minister for Foreign Affairs, Toshiko Abe at the Ministry of Foreign Affairs' Letter of Appreciation Conferential Ceremony for JICA volunteer program participants.



A volunteer teaches electronic engineering at a vocational school in Peru. (Photo: JICA)

(3) NGO Assistance and Participation in Activities

The most familiar examples of citizen participation in international cooperation are support for NGOs that engage in international cooperation and participation in those activities. The number of Japan's NGOs expanded greatly since the enactment of the "Act on the Promotion of Specified Non-profit Activities" (NPO Act) in 1998 and progress of legal provisions. There are said to be around 400 organizations actually engaged in international cooperation activities. MOFA is strengthening collaboration with NGOs which it considers to be essential partners in promoting the "Visibility of Japanese Aid." More specifically, MOFA financially cooperates projects implemented overseas by Japan's NGOs, (such as Grant Assistance for Japanese NGO Projects), and implements projects aimed to enhance the capabilities of NGOs. It is expected that Japan's NGOs broaden ODA horizons,

develop excellent human resources in the area of international cooperation, and play a role to promote the "Visibility Japanese Aid". (For further details on partnership with NGOs, see page 159)



Local residents and NGO personnel expressing their joy at the opening ceremony of a health post in Zambia. (Photo: TICO)

(4) On-site ODA Experience

Providing as many people as possible with opportunities to experience development cooperation by visiting at actual sites where ODA projects are implemented is one of the most effective ways to deepen their understanding of ODA. Japan also promotes support for on-site ODA observation through study tours (e.g. university seminars), or by teachers and representatives from local governments. In addition, partnerships with travel agencies to conduct the experience tours and observation tours are being strengthened. A new program, "International Cooperation Reporters" (implemented by JICA), began in 2011, in which the public observes actual ODA project sites and reports at various events after returning home. Reporters were sent to Kenya and Viet Nam in August 2011, and to Uganda and Sri Lanka in August 2012 to observe Japan's ODA projects (10 people are sent to each country).



An international cooperation reporter takes memos of an explanation while Kenyan children peer over her shoulder. (Photo: Koji Sato/JICA)

(5) Promotion of Discussion and Dialogue

MOFA and JICA have held explanatory meetings throughout Japan regarding ODA activities such as supporting SMEs utilizing ODA. Likewise, lectures and symposiums to introduce trends in international cooperation and Japan's efforts are held as a venue for dialogue with concerned citizens on the role of diplomacy and ODA as necessary. Furthermore, JICA utilizes its

domestic offices such as regional Centers and Branch Offices to promote locally born international cooperation and revitalize local regions, while holding roundtables and lectures with representatives from local industries, governments, experts, local universities, and school officials.

(6) Human Resource Development and Research in the Area of Development

In order to develop professional human resources in the area of development, from FY 2011 MOFA started the “International Development Professional Training Program.” It is a practical program to develop human resources to take the leadership roles in the development field, and contains courses to supplement doctoral programs of universities that already have a Faculty of Development. More specifically, the project consists of six courses, (i) courses on Japanese corporate culture, industrial history and business history by working business people, (ii) courses on Japan’s contribution to development in Asia and the practical side of applying the Asian economic development model in other regions (South-South Cooperation), (iii) courses on international public law, (iv) negotiation role-playing workshops, (v) media training to improve interview and presentation skills, and (vi) exchange projects such as special lectures and talks given by global distinguished experts in the area of development.

In 2003, JICA established the International Cooperation Personnel Registration System in order to recruit and

utilize human resources who possess specialized knowledge and diverse experience. The system provides information on job opportunities at JICA, NGOs, international organizations, and other groups related to international cooperation through the website named “PARTNER (Participatory network for expert recruitment)” (<http://partner.jica.go.jp/>), as well as registration of human resources, information on training and seminars, career counseling, etc.

Furthermore, Senior Advisor System is used to secure professional human resources who have highly specialized abilities and abundant experience working in developing countries, while the Associate Specialist System has been established to enhance the ability of young people who have a certain degree of expertise but limited experience. The JICA Research Institute, established in October 2008, conducts empirical and policy researches using internationally recognized methodologies based on the actual experience as an aid agency, while addressing information to the governments of developing countries and to the international aid community.

(7) Development Education

MOFA sends staff to junior-high and high-schools, universities, local governments and NGOs to give “ODA Delivery Lectures” which explain and comment on international cooperation and ODA. Similarly, on MOFA’s Japanese language homepage, there is a “Development Education Promotion Homepage for Compulsory Education” (“Let’s explore our world!”) setup, which provides teaching materials for development education as necessary. In addition, in order to promote development education, JICA holds the “Global Education Contest”²⁴ (JICA has been the main sponsor since FY 2011) to solicit teaching materials for development education. Similarly to assist development education, in response to requests from school education on the ground and local governments that promote internationalization, JICA sends experienced JOCV to schools as lecturers, and they implement “International Cooperation Delivery Lectures” that communicate life in developing countries and stories of personal experiences and aim to promote understanding of different cultures and international understanding, as well as the “International Cooperation Experience Program” that focuses on high-school and university students, and

the “JICA International Cooperation Junior-High and High-School Student Essay Contest” for junior-high and high-school students. Furthermore, “Development Education Instructor Training” is provided to teaching staff, and the “Teachers’ Overseas Training” dispatches teaching staff to developing countries, aiming to fully utilize such experiences in lessons.



A staff member of MOFA explains Japan's ODA in an ODA Delivery Lecture.

Note 24: Formerly the Development Education/International Understanding Education Contest (changed in FY2009)

(8) Strengthening Public Relations, Information Disclosure and Information Dissemination

MOFA and JICA have each launched websites related to ODA²⁵ that are linked to each other, which aim to release and disseminate accurate information. In October 2010, the “ODA *mieru-ka* site” (website for visualization of ODA) was launched within the JICA website to provide an easily understandable explanation of the current state of ODA projects and other aspects of the overall flow. In addition, an ODA email magazine is issued which introduces stories of experiences and episodes from actual aid in the field from the staff of overseas diplomatic missions, and JICA personnel.

Since FY 1997, a series of television programs have been broadcast to promote public interest in and understanding of international cooperation. In FY 2012, TV Tokyo’s “Chikyu VOCE” covered Japanese aid workers in developing countries, and introduced the current state of developing countries, the reasons why assistance is necessary, and the impact of Japan’s ODA projects.

Global Festa JAPAN is held annually around the time of the International Cooperation Day (6th of October)* as

Japan’s largest international cooperation event. The event is co-hosted by MOFA, JICA, and the Japan NGO Center for International Cooperation (JANIC) on Saturday and Sunday at Hibiya Park in Tokyo with participation from NGOs, international organizations, private companies and related ministries. Approximately 100,000 people attended the 2012 event.

In addition, Japan conducts activities overseas to promote a better understanding of Japan’s proactive international contribution through ODA. For example, Japan has provided press releases at the time of signings and handover ceremonies and otherwise cooperated with interviews of the local press. In addition, Japan attaches Japanese flag stickers (in English and Arabic) and the Japanese ODA logo (in English, French, Spanish, Arabic, and Portuguese) to aid supplies from Japan. Japan’s overseas diplomatic missions provide opportunities for the local press to address Japan’s cooperation by planning site-visit tours to Japan’s ODA projects. Furthermore, Japanese embassies disseminate information via various talks and websites and pamphlets in English and local languages.



Many NGOs also participate in the Global Festa.

* Glossary

International Cooperation Day

On October 6, 1954, Japan joined the Colombo Plan (Formed in 1951, the earliest international organization after World War II to provide aid to developing countries) with a decision by the cabinet, and started economic cooperation. In conjunction with this, October 6 was designated as “International Cooperation Day” with the authorization of the cabinet.

Note 25: Ministry of Foreign Affairs ODA page: <http://www.mofa.go.jp/mofaj/gaiko/oda>
JICA: <http://www.jica.go.jp> Website for visualization of ODA: <http://www.jica.go.jp/oda>

3. Requirements for Implementation of Strategic and Effective Assistance

In the “ODA Review Final Report” publicized in June 2010, in addition to enhancing the transparency (“visualization”) of aid including the evaluation results of aid projects, the PDCA cycle, consisting of project formation (Plan), implementation (Do), evaluation

(Check), Follow-up (Act), was introduced with the aim of improving ODA accountability. Furthermore in January 2011, based on this policy, it was decided to (i) strengthen the PDCA cycle, (ii) strengthen the Program Approach, and (iii) reinforce “visualization.”

(1) Strategic Aid Implementation

● Program Approach

The Program Approach is an approach whereby the main development goals (program objectives) are shared through policy consultation with developing countries, from which point the specific ODA project is determined. For example, to achieve the goal of reducing the mortality rate of pregnant women in specific regions, one potential

approach is to determine projects of hospital construction using Grant Aid and midwives training through technical cooperation. At present, trial programs are progressing in Indonesia, Tanzania and Ghana, and the experiences and results will be also utilized in assisting other countries.

● Country Assistance Policy

The Country Assistance Policy is Japan’s country-specific assistance policy formulated based on a consideration of the political and socio-economic circumstances as well as development plans and development issues, etc. of each recipient country. As a general rule, Japan aims to have such policies formulated for all recipient countries of

Japan’s ODA within three years. Japan will integrate past Country Assistance Programs for individual countries and the Rolling Plans that were formulated under them, reorganize them into a more concise and highly strategic plan, and strive to clarify the direction of aid through “selection and concentration”.

(2) Effective Aid Implementation

● Website for visualization of ODA

The “ODA *mieru-ka* site” (website for visualization of ODA) was launched on the JICA website in April 2011 to enhance transparency as a means to deepen public understanding and support for ODA. Photographs, ex-ante/ex-post evaluations, and other information is posted as needed, in order to communicate to the people, in an easy-to-understand manner, an overview of each loan aid, grant aid, and technical cooperation projects that JICA is implementing as ODA projects around the world, as well as the process from project formation to completion. In principle, efforts are taken to publicize the status and impact of all ODA projects. Likewise, lists summarizing the specific achievement status of projects implemented in the past, including those where a sufficient effect was not produced, have already been publicized twice in January and October 2011.



ODA visualization site, the “ODA *mieru-ka* site” <http://www.jica.go.jp/oda>

● PDCA Cycle

Regarding strengthening the PDCA cycle, efforts are proceeding in relation to (i) formulating Country Assistance Policies for all recipient countries of Japan's ODA, (ii) establishing Development Project Accountability Committee, and (iii) strengthening the evaluation framework. In particular, the Development Project Accountability Committee established in 2011 plays a central role in the PDCA cycle. Before surveys are implemented to formulate new grant aid and loan aid

● Enhancement of Evaluation

In order to implement ODA more effectively and efficiently, there is a need for its continuous improvement by reflecting accurate understanding of the implementing process and its effects. To this end, MOFA, other related ministries, and JICA conduct monitoring and evaluation of ODA. ODA evaluations are positioned within the PDCA cycle. The lessons and recommendations gained from the evaluation results are conveyed to the relevant departments of MOFA and JICA, and the governments of recipient countries in order to utilize them in future planning and implementation processes. In addition, it is important to explain to the Japanese people how ODA is used and what effects have been achieved. Thus, MOFA publishes the results of ODA evaluations through websites in order to fulfill its accountability.

Currently, MOFA mainly implements evaluations at the policy-level (country assistance evaluations and priority issue evaluations) and evaluations at the program-level (aid modality evaluations and sector program evaluations). Policy and program-level evaluations implemented by MOFA are made in accordance with the Development Assistance Committee (DAC) Criteria for Evaluating Development Assistance (Relevance, Effectiveness, Efficiency, Impact, and Sustainability), and assess whether relevant policies have been taken, whether the development effects have been increased by the assistance, and whether the processes of implementing assistance have been appropriate. To secure its objectivity and transparency, evaluations are conducted by third parties.

MOFA makes continuous efforts to improve ODA evaluation. To further increase the independence of

projects, six external experts from NGOs, the business sector, academic societies and the press exchange candid views on the details of the surveys with MOFA and JICA departments so that past experiences and the perspectives of external experts are incorporated into the new projects. A certain amount of praise has been received for such efforts, and efforts are continuing to further improve the PDCA cycle.

evaluation, the ODA Evaluation Division was relocated from the International Cooperation Bureau, which implements assistance, to the Minister's Secretariat, in addition to appointing an external evaluation specialist as the Director of the Division. Similarly, new approaches are also being attempted regarding ODA evaluation such as not simply development but also diplomatic viewpoints are considered.

Meanwhile, JICA implements evaluations on each technical cooperation, ODA loan, and grant aid project as well as on its theme. In addition to conducting consistent evaluations from the pre-implementation stage, the implementation stage, to the post implementation stage, JICA has established consistent evaluation mechanism of these three assistance modalities. These evaluations are conducted in accordance with the DAC Criteria for Evaluating Development Assistance, with projects that exceed a certain monetary amount being subject to ex-post evaluations by an external party.

Response measures to each recommendation and lesson obtained from these ODA evaluations are reflected in future planning and implementation of ODA.

MOFA also conducts policy evaluations on economic cooperation policies in general, ex-ante evaluations on projects that exceed a certain amount of money, and ex-post evaluations on pending projects that have not proceeded for five years, and incomplete projects* that have not concluded after ten years. These are carried out pursuant to the Government Policy Evaluations Act (GPEA).

* Glossary

Pending projects/incomplete projects

"Projects that have not begun after five years" are projects for which the loan agreement has not been signed or loan disbursement has not begun after five years have elapsed since the decision was made to implement the project. "Projects that have not been completed after ten years" are projects for which loan disbursements have not been completed after ten years have elapsed since the decision was made to implement the project.

● Preventing Fraudulent Practices

Given that Japan's ODA is funded by taxpayers' money, fraudulent use of funds provided through aid must not be allowed under any circumstances. Accordingly, the government and JICA work to ensure the transparency of procurement and other procedures.

At the procurement stage for ODA projects, tendering procedures are conducted by developing countries in accordance with the guidelines. After the verification of the results, to increase transparency JICA discloses information not only on the name of the contractee but also the contract amount. In case frauds are discovered relating to procurement or other stages of ODA project implementation, measures are to be taken to exclude companies engaged in fraud from bidding or receiving contracts for projects for a certain period.

Efforts are also being made for auditing. These efforts include expanding external auditing, implementing spot audits, and taking measures to improve auditing based on audit results. With regard to external audits, they are being implemented at JICA by accounting auditors. Regarding grant aid, external audits of Grant Assistance for Grass-roots Human Security Projects worth ¥3 million or more must be conducted by outside auditors, and are being steadily implemented.

As for loan aid, a mechanism has been introduced for audits that can be conducted where necessary for projects agreed upon by the governments. For technical cooperation, JICA conducts internal audits via sampling. JICA also conducts technical audits of grant aid.

Japan has ratified the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and is strict in its fair handling of fraudulent business with foreign government-related parties, including the application of the Unfair Competition Prevention Act, in order to ensure confidence in ODA projects.

Improprieties were discovered in ODA loan projects in Viet Nam and in 2008 persons concerned in a relevant Japanese company in Viet Nam were prosecuted and convicted. To prevent the recurrence of similar fraud and corruption, an exploratory committee was established under the supervision of the Minister for Foreign Affairs, composed of external specialists. The committee submitted its report in September 2009. Based on this report, MOFA and JICA reviewed their guidelines to determine how measures should be imposed against companies engaged in fraudulent practices. In addition, a support structure was established to support overseas arms of Japanese companies through embassies and local JICA offices, thereby urging related industries to comply with laws. Other initiatives include hosting seminars concerning international contract terms and conditions for Japanese companies, through the cooperation of industry associations, enhancing the involvement of JICA during the selection of consultants by partner countries, and holding discussions to prevent fraud and corruption with other donor countries. These efforts were compiled in February 2011.

(3) Ensuring Appropriate Procedures

When implementing assistance, confirmation is made to ensure appropriate consideration has been paid to the impact that the counterpart governments and organizations implementing the project elicit on the environment and local community, such as the relocation of residents and the violation of the rights of indigenous people and women. Traditionally, loan aid and technical cooperation, the Guidelines for Environmental and Social Considerations have been established based on the views of advisors such as academics and NGOs, and have been applied to those projects to protect the environment and local society. As for grant aid as well, assistance has been provided in accordance with the Grant Aid Screening

Guidelines. In line with the launch of the new JICA in October 2008, the previous guidelines of JICA and JBIC were integrated, and on April 1, 2010, the new JICA Guidelines for Environmental and Social Considerations were issued. These efforts make it possible to ensure transparency, predictability, and accountability related to consideration of environmental issues.

In addition, meetings of the Development Project Accountability Committee, at which knowledgeable and experienced experts exchange views before the project survey is implemented, are open to the general public to improve the effectiveness of ODA projects, and to increase transparency.

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

Security situations in developing countries where ODA personnel are involved in development operations vary considerably and change 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 and frequent global terrorist activities still exist as well. In peace-building activities, how to safeguard ODA personnel has become a considerably critical issue.

Japan examines the domestic security situation in each country mainly through Japanese embassies, provides travel information, and shares information among people engaging in ODA. JICA takes measures such as providing particular training and seminars before they leave Japan, ensuring means of communication in emergency situations in the destination, deploying security management advisors*, 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. In addition, efforts are being taken to enhance safety, as joint training for emergency and risk management is conducted with JICA and the Regional Centre for Emergency Training in International Humanitarian Response (eCentre) of the Office of the United Nations High Commissioner for Refugees (UNHCR). In terms of grant aid, JICA provides information for consultants and construction contractors, while also improving the system for communication during emergencies. As for loan aid, efforts are made to ensure the safety of Japanese corporations that take on projects through such measures such as the provision of information.

* Glossary

Security management advisor

In order to strengthen safety measures in the field, JICA has employed people who are well versed in the security and safety measures of the country concerned to serve as security management advisors. In this way, JICA ensures the collection and offering of information and around-the-clock response to a wide range of tasks from housing security to traffic accidents.