

# Identification and Formulation of Projects

### Outline of JICA Activities

JICA's activities take place within an integrated process known as the "project cycle," which involves a series of stages: planning, implementation, evaluation and feedback into the planning stage at the start of the next project cycle. To improve the content of these activities and to enhance the effect of Technical Cooperation, each stage in the project cycle requires appropriate monitoring and management. The following items are particularly important at each stage.

#### (1) Planning:

Study and analysis of the needs and requests of developing countries; definition of target groups; specification of the purpose, targets and resources to be used (required fields of specialization, number of experts to be dispatched, costs required for the projects as a whole, etc.) and details of activities.

#### (2) Implementation:

Execution of projects according to plan; reorientation of the plan on the basis of monitoring; and development of results.

#### (3) Evaluation:

Assessment of whether the results of a project accord with the original targets; measurement of the effects of the project; investigation of how results have been achieved; and feedback of the findings into future project planning.

In Part 3 of this report, we shall be looking at JICA programs in accordance with the following four items (i.e., the three stages of the project cycle and efforts to



The International Conference on the Year Review of the Transitional Economies and Challenges in the Next Decade, held in Austria.

strengthen the foundations of program implementation):

- (1) Identification, formulation and planning (Chapter 1);
- (2) Program implementation (Chapter 2);
- (3) Evaluation and follow-up (Chapter 3);
- (4) Strengthening the foundations of program implementation (Chapter 4).

### Outline of Identification, Formulation and Planning Activities

#### Importance of a Starting Point for Cooperation

To make JICA cooperation projects more effective, we naturally need to gain an accurate idea of the needs of developing countries and to plan and implement projects in line with individual countries' specific features. This requires knowledge of social and economic conditions in developing countries as well as of their organizational and institutional structures. This is what we mean by the country-specific approach.

JICA projects are carried out based upon requests for aid that are submitted by the government of the recipient country through diplomatic channels. However, some developing countries have not yet achieved the ability to determine the kinds of projects that would most likely contribute to their development.

Furthermore, although a particular country may be aware of its needs and be able to formulate projects on its own, it may still be inadequately equipped to administer aid from other countries. JICA adopts the country-specific approach in its relations with such countries. We first analyze the conditions and issues facing the target country

and take a close look at its course of development. We then put together practical cooperation projects. This is the process of project identification and formulation.

The identification and formulation of projects serves as the point of departure for cooperation, and it determines the future direction of project activities. We place considerable importance on such activities in the belief that they, together with evaluation at the final stage of cooperation, are indispensable for the success of a project.

JICA includes funds in its budget to cover the costs involved in making aid more efficient, with a view to strengthening both the initial and final stages of cooperation. Among these activities, we present two that are related to the identification, formulation and planning of cooperation: 1) those in connection with collection and collation of country-specific information and 2) those in connection with the identification and formulation of projects.

## Collecting and Collating Country-specific Information

### 1. Creating a Country-specific Information Database

Acquisition and analysis of basic information on developing countries plays an indispensable role in strengthening the country-specific approach. JICA gathers and analyzes basic socioeconomic information on developing countries as well as information on technology and aid trends at other aid agencies. We also arrange and integrate experience and information acquired during past Japanese aid activities.

Since fiscal 1998, we have been working on a centralized database to integrate and develop our resources of country-specific information. We also launched a country-specific information system to make it easier to computerize, share and access data.

The following two types of data, which were placed in the public domain on the JICA website in fiscal 1999, are handled by this system.

#### (1) Basic country-specific information

Basic socioeconomic information; sectoral information on social development, agriculture, forestry, fisheries, etc.

#### (2) Information on project implementation

Detailed information on JICA project results.

## 2. Placement of Local Technical Coordinators

Local technical coordinators that are allocated to JICA's overseas offices collect and analyze both basic and peripheral information on project proposals submitted by recipient countries. The main task of these coordinators is to gather technical and related information on how many technicians the recipient agency has at its disposal, the agency's technical and financial capacity and the state of related local infrastructure\*. In fiscal 2000, local technical advisors performed 74 studies in 46 countries.

## Identification and Formulation of Projects

### 1. Project Formulation Studies

At times, despite the urgency of a particular issue, a developing country may be unable to submit a request for cooperation because it does not adequately understand Japan's aid structure.

In such cases, on-site studies of priority areas are required. These involve studying and analyzing: a) the content of cooperation to ensure its appropriateness; b) the institutional capacity of the partner country to implement the project; and c) the likely impact and repercussions of cooperation on the recipient country. Discussions on specific details must be carried out with the government of the recipient country and related agencies (including non-governmental organizations [NGOs]). These activities serve as the basis for formulating the optimum plan of cooperation.

JICA's project formulation studies\* assist with the



Project formulation study for disaster response measures (Venezuela). This study formulated a reconstruction plan and a disaster prevention plan for an area hit by rain-induced landslides.

drawing up of such plans. These studies are performed by teams sent from Japan or by local consultants engaged by JICA overseas offices. In fiscal 2000, 80 studies were carried out in 54 developing countries. By region, the number of studies can be broken down as follows:

- (1) Asia : 35 (43%)
- (2) Middle East : 8 (10%)
- (3) Africa : 16 (20%)
- (4) Latin America : 15 (19%)
- (5) Oceania : 2 (3%)
- (6) Europe : 4 (5%)

It is significant to mention that project formulation studies have been initiated to promote information technology (IT) cooperation in 13 countries. JICA is carrying out these studies on the basis of an announcement made by Japan at the July 2000 G8 Kyushu-Okinawa Summit for cooperation to bridge the international digital divide\*. The studies are examining the current situation and cooperation needs of these developing countries in the information and communications sector, as well as concrete cooperation policies.

In addition, in an effort to include private sector initiatives in ODA programs, JICA solicited proposals for project formulation studies from private sector enterprises and NGOs covering three themes: 1) IT; 2)

measures to combat global warming; and 3) measures to combat infectious diseases. JICA carefully considered each proposal that was submitted, and decided to adopt three with relevant themes: in Viet Nam, "Measures Against HIV/AIDS Among the Working Classes"; in Samoa, "Possibilities for the Introduction of Natural Energy and Appropriate Electrical Sources"; and in Kenya, "Commodity Management System for Sexually Transmitted Infections (STI) Treatment and HIV Prevention." JICA has entrusted the implementation of these project formulation studies to the organizations that originally proposed them.

## 2. Intra-regional Cooperation Workshops on Specific Fields

JICA has set up a system of special intra-regional cooperation workshops on specific fields to identify and formulate projects likely to be relevant not only to individual countries but also to their neighbors. These workshops enable related countries to discuss how cooperation might best be provided.

Workshops were held in Indonesia, Chile, Nicaragua, Austria and Australia in fiscal 2000.

In April 2000, JICA, the Ministry of Foreign Affairs of Japan and the Japan Bank for International Cooperation\* (JBIC) sponsored a two-day conference that was attended by Asian countries to prepare

## Close Up

### Project Formulation Study Based on Private Sector Proposal Project Formulation Study on the Commodity Management System for SIT Treatment and HIV Prevention in Kenya

#### Private Sector Groups Work to Formulate a Technical Cooperation Project

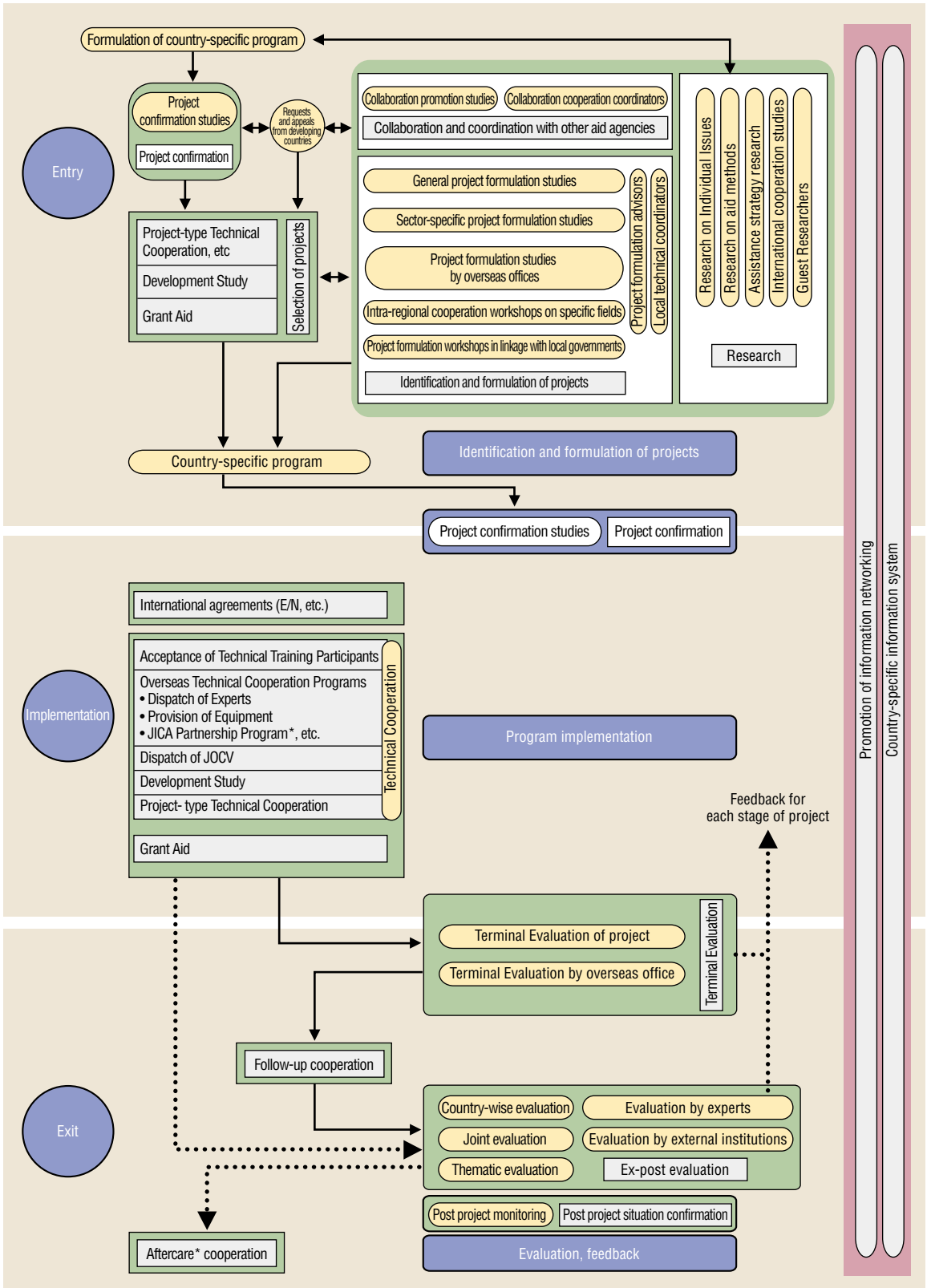
JICA set up the project formulation study based on private sector proposal program with two objectives in mind: (1) to help it utilize the knowledge and experience of Japan's private sector at the project formulation stage, and (2) to spur the private sector to formulate Technical Cooperation projects as a means of expanding opportunities for private sector participation in international cooperation.

In fiscal 2000, JICA used this program to solicit proposals in the area of measures against infectious and parasitic diseases. One such proposal, which was directed at Kenya, was put forth by the NGO "Health and Development Service (HANDS)." This proposal, entitled the "Project Formulation Study on the Commodity Management System for STI Treatment and HIV Prevention in Kenya," was adopted by JICA and implemented by HANDS in March 2001.

According to the Joint United Nations Programme on HIV/AIDS (UNAIDS), at the end of 1999 approximately 2.1 million Kenyans, or

14% of the adult population, were infected with HIV, and it has been estimated that each year 180,000 people die from AIDS-related illness. Since there is as yet no cure for HIV/AIDS, provision of medical equipment such as contraceptives and safe syringes form the pillar of HIV/AIDS prevention measures. However, given the fact that there are serious shortages of medical supplies and equipment in public medical facilities, there is a fear that HIV/AIDS infection could spread even further through inappropriate use of these items. Furthermore, it has been pointed out that STI increase the risk of either contracting or spreading HIV/AIDS infection.

Against this backdrop, the HANDS study was implemented to conduct a needs survey on provision and management of medical supplies for HIV/STI in Kenya's Western Province, and to formulate a project for strengthening regional health services and training of medical service practitioners working in the HIV/AIDS field.

**Figure 3-1** Flow of Individual Technical Projects

“poverty reduction guidelines” intended to demonstrate modalities for effective poverty alleviation activities. This conference was carried out in coordination with a subsidiary body of Organisation for Economic Co-operation and Development (OECD)/Development Assistance Committee\* (DAC), called the DAC Informal Network on Poverty Reduction. Opinions received from each participating country were reflected in the guidelines, which were formally adopted as the DAC Guidelines on Poverty Reduction in April 2001.

In Papua New Guinea, JICA and the Australian Agency for International Development (AusAID), the largest donor\* organization to the Pacific Island countries, cosponsored a workshop to discuss common issues surrounding health and medical care issues in the region. The workshop was attended by health officials from 13 countries and territories as well as by representatives of AusAID. It included a presentation of the features and experiences of Japan-Australia cooperation in health and medical care as well as an active exchange of opinions concerning related measures taken by the region’s countries. These activities led to a

common understanding of Japan and Australia’s cooperative agenda.

In Nicaragua, researchers and those concerned with aid from Latin American countries gathered to discuss ways of strengthening disaster prevention plans as a means of combating the disasters that frequently occur in the region.

In Chile, participants from the countries of Latin America gathered to discuss system enhancement and strengthening of plant and livestock quarantines to ensure the safety of each country’s produce, an important challenge for the South American countries as they work to promote economic integration.

In Austria, participants from Central and Eastern Europe and representatives of international organizations gathered for the “International Conference on the Year Review of the Transitional Economies and Challenges in the Next Decade,” held from 30 November to 1 December 2000. In an effort to further promote implementation of the market economy, these participants shared their 10 years of experience in the transition to a market economy while deepening the

## Front Line

Intra-regional Cooperation Workshop “Prevention of Epidemics in Animals and Plants”

Chile

### For Industrial Distribution in the Latin American Region

#### ◆ Closing Gaps Within the Region

For three days from 7 to 9 March 2001, Japan and Chile cosponsored a workshop entitled “Prevention of Epidemics in Animals and Plants.” Eighty-six participants from 11 countries, including Paraguay, Ecuador, Uruguay, and host Chile attended the workshop, and active discussions were held on improving animal and plant disinfection in the region.

In South America, regional economic integration is continuing in such fora as Mercado Común del Sur\* (MERCOSUR) and the Community of Andean Nations. In order to promote distribution, which is one of the axes of integration, it is of vital importance that each country in the region take responsibility in creating systems to ensure the safety and hygiene of its own agricultural produce. However, while there are some countries within the region such as Chile, Brazil and Argentina, where these measures are being progressed, countries such as Bolivia and Paraguay have been late in creating such systems. This has resulted in a divide in the pace of development in the region. It was under these circumstances that Japan decided to help sponsor this workshop, which was intended as a means to actively support movement towards regional cooperation. It was hoped that the workshop would build a platform for countries that are behind in their development to share their problems with

other countries, and for these countries to receive support from more advanced countries in the region (South-South cooperation\*).

#### ◆ Realization of the Dispatch of Third Country Experts as a First Step

One result of the discussions held at the workshop was a proposal on disinfection of animals that called for Technical Cooperation directed at such areas as monitoring of disinfection, strengthening of quarantine and hygiene information systems, creation of a quality assurance program for food safety, and strengthening of the regional network of examination laboratories. In addition, in areas concerning disinfection of plants, agreement was reached on the importance of regional training in fields such as creation of regulations for vegetable protection, introduction of analytical methods concerning the dangers of fruit flies, and the establishment of a warning system for plant hygiene.

Future study to address these challenges will examine concrete cooperation efforts which include South-South cooperation and linkage with bilateral aid\* from Japan to each country in the region. A first step has already been taken: Chile and Bolivia have made South-South cooperation between them a reality, and it has been decided that seven people from Chile will be dispatched to Bolivia as third-country experts\* in the field of animal and plant disinfection over the next three years.

(JICA Chile Office)

discussion on policies needed to achieve this aim.

### 3. Project Formulation Advisors

The project formulation advisor\* system was established in order to send experts in priority development fields to developing countries, to understand recipient countries' long-term needs, to formulate high-quality projects and to process requested projects. Project formulation advisors are sent to overseas offices where they look into the relative priority of requested projects and cooperation plans. They remain in close contact with related organizations in the recipient country for purposes of consultation and coordination.

As indicated below, there has been a significant increase over recent years in new aid recipient countries, issues and methods. This has meant that project formulation advisors are playing an increasingly important role in identifying and formulating high-quality projects likely to prove particularly effective in the development process. This process has involved the following:

- (1) Countries where Japan has had little experience in aid provision and new aid-recipient countries.
- (2) New assistance issues such as measures to clear landmines.
- (3) New aid methods such as South-South cooperation, and linkage with other aid agencies.

In fiscal 2000, 72 new project formulation advisors were sent to 39 countries to formulate projects based on their own expertise.

### 4. Project Confirmation Surveys

Promotion of effective aid is dependent not only on consultation on specific cooperation projects but also on dialogue at the policy level. This revolves around project implementation plans drawn upon by JICA on the basis of project formulation studies and country-specific information-gathering activities, the Japanese



The Malaysian wetlands, where a project formulation study was undertaken for the Program for Bornean Biodiversity Ecosystem Conservation in Sabah.

government's aid policy, and the recipient country's own development plans.

More specifically, we obtain information required for proceeding with projects that conform to JICA's aid principles and discuss it with the recipient country. We then arrange requested projects in terms of their order of priority and specific details; examine the progress and problems of projects currently under way and discuss how these problems can be solved; offer an explanation of our aid scheme; and discuss other topics bearing on the implementation of aid. Project confirmation studies are intended to determine the future direction of cooperation and to help us implement projects effectively and efficiently. In fiscal 2000, 29 study teams were sent to 24 developing countries to confirm and discuss the direction of cooperation for requested projects. The number of study teams dispatched per region was as follows:

- |                   |   |    |       |
|-------------------|---|----|-------|
| (1) Asia          | : | 16 | (55%) |
| (2) Africa        | : | 6  | (21%) |
| (3) Latin America | : | 5  | (17%) |
| (4) Europe        | : | 2  | (7%)  |