

## Medium-term Plan of Japan International Cooperation Agency

In accordance with Article 30, Paragraph 1 of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999; hereinafter referred to as the "Act on General Rules"), the Japan International Cooperation Agency (hereinafter referred to as the "JICA") has established the following Medium-term plan for achieving its Medium-term Objectives during a period commencing with fiscal year 2022.

### 1. Introduction

#### (1) JICA's role

As an executing agency for the development cooperation of Japan, JICA aims to contribute to the promotion of international cooperation and to the development of Japan and the international socio-economy by contributing to the development or reconstruction of the economy and society, or economic stability of developing areas .

In line with this objective as well as other national policies including the Development Cooperation Charter and the Medium-term Objectives of JICA, JICA will address development issues in the developing areas, as well as global issues. Through these initiatives, JICA will contribute to Japan's national interests, such as maintaining peace and security; achieving prosperity; realizing an international environment providing stability, transparency and predictability; and maintaining international order based on universal values.

JICA will contribute to strengthening the international community's confidence in Japan, securing ties between developing areas and Japan, and enhancing Japan's proactive participation in international governance and rulemaking.

Furthermore, JICA will support strengthening ties between developing areas and Japan as a whole, which will contribute to the vitalization of Japan's economy and society.

#### (2) Operational focus areas

Based on principles of quality growth and human security, JICA will promote the creation of sustainable, inclusive, and resilient societies and economies, with protecting people's lives, livelihoods and dignity, and with a commitment to reducing disparities and development leaving no one behind.

JICA will work on the priority issues outlined in the Development Cooperation Charter: quality growth and poverty eradication through such growth; sharing universal values and realizing a peaceful and secure society; building a sustainable and resilient international community through efforts to address global issues.

These initiatives share the same issues and directions with the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (hereinafter referred to as "SDGs"). Therefore, JICA will proactively promote Japan's contribution to the SDGs through its efforts.

In addition, JICA will further strengthen the following initiatives:

#### (i) Realize Free and Open Indo-Pacific and demonstrate leadership in the international community

JICA will contribute to realize the policies and strategies of the Japanese government, such

as the promotion of Free and Open Indo-Pacific (hereinafter referred to as "FOIP") through development efforts, with a view to achieving peace and prosperity of both the international community and Japan, under the common but flexibly defined universal values (freedom, democracy, respect for basic human rights, rule of law, etc.) based on geopolitical characteristics of each region, while taking into account the histories, cultures, and development stages of each country. In addition, JICA will contribute to achieving the SDGs and other international commitments by utilizing the strengths of Japan and JICA, and will lead in setting the international agenda and frameworks in development cooperation.

**(ii) Cultivate future leaders responsible for the development of their country**

JICA will cultivate future leaders in developing areas, who can foster a long-lasting bilateral relationship between each country and Japan, by offering advanced human resource development programs including opportunities to study in Japan, and sharing Japan's experiences in modernization and development cooperation through the JICA Development Studies Program and the JICA Program for Japanese Studies (JICA Chair).

**(iii) Strengthen initiatives for climate change and environmental issues**

Various natural events are occurring across the world including Japan, which are considered to be affected by climate change. They pose a major threat to human security and realization of a sustainable socio-economy. Based on the international frameworks on climate change and the Japanese government's commitments and contribution, JICA aims to facilitate the transition of developing countries to a decarbonized and resilient society, while taking into consideration individual situations of the countries. In order to contribute to conserving the natural environment that surrounds all human life in harmony with sustainable development, JICA will proactively promote efforts for environmental issues, including measures against marine plastic waste and biodiversity conservation.

**(iv) Contribute to revitalizing Japan's economy and society, and promoting understanding for cultural diversity within Japan**

In addition to further strengthening efforts to resolve development issues through partnerships with the private sector, JICA will utilize its knowledge and expertise obtained through JICA's activities in developing areas, hub functions, networks, and human resources of domestic and overseas offices. JICA will promote efforts to increase understanding and respect for cultural diversity within Japan, in order to build a society of multicultural coexistence and social harmony. JICA will also contribute to internationalization of local communities and resolution of social issues of Japan

**(3) Prioritized approaches**

**(i) Promote development cooperation that builds a mutually trustful relationship by emphasizing country ownership and partnership**

JICA reaffirms that Japan's long-standing development cooperation approaches that respect developing countries' ownership, and the practice of equal partnership between developing countries and Japan, enhance development effectiveness and strengthen developing countries' trust toward Japan. JICA will continue to apply these approaches.

**(ii) Enhance development impacts through wide-ranging partnerships and co-creation with development partners through the promotion of the JICA Global Agenda (cooperation strategy for global issues)<sup>1</sup>**

Against the background of growing interest in the SDGs, various enterprises, including start-ups, research institutions, and civil society organizations are taking the lead in development sector. By strengthening the strategic nature of each project by clarifying medium- to long-term objectives, outcomes, and priorities for each issue, JICA aims to further increase the development effect through partnerships and co-creation with a wide range of development partners.

**(iii) Promote gender equality and respect diversity**

Through JICA's projects, JICA aims to realize a society that recognizes equality and diversity, such as gender mainstreaming, in which individuals can exercise their abilities with dignity as human beings. JICA will also respect various diversities including gender in its organizational management and strive to enhance diverse working styles and environments where each individual can grow.

**(iv) Promote digital transformation (DX)**

In order to realize an inclusive and diverse society, construct free and safe cyberspace, and secure an operational implementation system and effective operation under post COVID-19, JICA will promote the use of innovative technologies, including digitization in both projects and organizational management, and improvement in the environment for using the technologies. Through JICA's projects, JICA will try to increase development impacts by creating new value through the use of digital technology and data. JICA will proactively promote improvement in the quality of operations in its organizational management by improving and speeding up business processes, securing and developing human resources with expertise, and optimally allocating management resources.

**2. Measures to achieve quality operational improvements, including services provided to citizens**

(1) Japan's development cooperation priorities<sup>2</sup>

(i) Secure a foundation and driving force for economic growth in developing areas ("Quality growth" and poverty eradication through such growth)

a. Urban and regional development

In order to contribute to sustainable urban and regional development, JICA will support the capacity building of administrative organizations that are responsible for managing urban and regional development and the development and utilization of geospatial information. Specifically, JICA will

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<sup>1</sup> With regard to global development issues facing the world and based on structural changes in the domestic and international business environments, the JICA Global Agenda describes the analysis of the present state, the significance and goals of the efforts of Japan and JICA, and the direction of efforts for resolving the issues, according to each development issue set in ((1) through (4) of "Japan's priority development cooperation issues" such as healthcare, governance, and climate change, etc., of the fifth Medium-term Objectives.

<sup>2</sup> Issues to be treated as "units of project (units of segment)" are underlined. Plans on "Japan's priority development cooperation issues" will be formulated in subdivided units based on the Medium-term Objectives. Specifically, there are five subdivided units, from 2. (1) 1) Secure a foundation and driving force for economic growth in developing areas ("Quality growth" and poverty eradication through such growth) through 2. (1) 5) Regional priority issues.

support the formulation of development policies and plans, the development of legal systems and other policy tools, the introduction of effective development methods, the construction of project implementation systems, and the development of organizations and human resources responsible for these activities. JICA will also promote the harmonization and collaboration of development and activities with the public and private sectors.

#### b. Transportation

In order to achieve smooth and safe movement of people and goods, JICA will support the planning, development, operation and maintenance, of transport networks for enhancing connectivity. JICA will also work to develop and promote the use of quality infrastructure, including public transportation that will contribute to realize a low-carbon society. Specifically, JICA will focus on five pillars, realizing a global network, maritime security, road asset management, road traffic safety, and promoting urban public transportation. Furthermore, considering measures against COVID-19 and other infectious diseases, JICA will introduce measures to avoid contact opportunities and prevent infectious diseases for users and related parties by promoting measures against infectious diseases such as digital transformation (DX) of border customs, port procedures, and airport immigration procedures, the introduction of contactless systems in public transportation, etc.

#### c. Energy and natural resources

In order to contribute to the creation of a society in which all people can use sufficient and stable electricity in a sustainable way and at an affordable price, JICA will support the building of a power sector which can simultaneously pursue stable power supply and energy transition toward carbon-neutrality. JICA will also support the development of human resources responsible for mineral resource management to promote the sustainable use of national resources by resource-rich countries. Specifically, JICA will work to strengthen power transmission and distribution networks, promote the introduction of renewable energy sources including hydrogen and ammonia, and promote energy efficiency, as well as strengthen human resource development and human networks through “KIZUNA (bonding of resources)” program.

#### d. Private sector development

JICA will promote the development and growth of private enterprises in developing countries to realize growth of the private sector, which is essential for the self-reliant development of developing countries, and to contribute to the inclusive, sustainable, and resilient "quality growth" of developing countries. Specifically, JICA will work to strengthen the competitiveness of enterprises in developing countries, diversify industries, promote innovation, adapt to new industrial structures and forms in the post-COVID-19, and promote domestic and foreign direct investment.

#### e. Agriculture, forestry, and fisheries development and rural development

In order to achieve poverty reduction in rural areas and contribute to the stable production and supply of food, JICA will support the building of inclusive and sustainable food value chains, the promotion of rice cultivation, the management and utilization of fishery resources, the promotion of livestock farming, and the strengthening of livestock hygiene. Specifically, JICA will work to promote

market-oriented agricultural activities by small-scale farmers, increase rice production, balance the appropriate management of fishery resources with economic revitalization of coastal communities, improve veterinary service capacity, and promote appropriate water management in accordance with local conditions, to achieve sustainable and inclusive agricultural and rural development in social, economic, and environmental terms.

(ii) Promote people-centered development, which supports basic human life in the developing areas (“Quality growth” and poverty eradication through such growth)

a. Health

In order to prepare for the threat of COVID-19 and other infectious diseases, JICA will work to prevent, take precautions, and strengthen treatment system in developing countries through JICA's Initiative for Global Health and Medicine and to enhance the development of health and medical systems. JICA will also proactively develop resilient and inclusive health systems that can stably provide necessary services in the event of health crises. Throughout its cooperation efforts, JICA will take into account mainstreaming of health care, including measures against infectious diseases in other development issues such as water, sanitation and hygiene, urban planning, education, and nutrition. In addition, to strengthen the health and medical system with the aim of achieving Universal Health Coverage (UHC), JICA will support the provision of services in fields of maternal and child health, non-communicable diseases, measures against the aging population, measures against infectious diseases, etc. At the same time, JICA will work to strengthen the health financing system essential for achieving UHC.

b. Nutrition

To contribute to the improvement of nutrition, JICA will support efforts against chronic undernutrition and overnutrition. Based on the Tokyo Compact on Global Nutrition, JICA will work to improve maternal and child nutrition and promote the IFNA (Initiative for Food and Nutrition Security in Africa) aimed at improving nutrition in Africa, improve health issues such as stunting and lifestyle-related diseases, and mainstream nutrition improvement through cross-sectoral activities in fields of health, agriculture and food, water, sanitation and hygiene, and education, with a view to realizing the JICA Nutrition Declaration.

c. Education

In order to enhance quality education, JICA will support the provision of quality educational environment for improving children's learning and the expansion of educational opportunities for girls and children with disabilities. JICA will also support the strengthening of core universities in developing areas and promote the production of excellent human resources who will lead development of each country. Specifically, JICA will work to develop and disseminate quality learning materials, improve education through cooperation with community (“School for All”, etc.), expand educational opportunities and enhance educational facilities focusing on girls' education, and disseminate activities using the advantages of Japanese education to foster cooperativeness among children (class meetings, cleaning, etc.), music and physical education, etc. In the field of higher education, JICA will work to produce excellent human resources and co-create knowledge through research activities by

strengthening the teaching and research capacities of the core universities while building a network among universities in Japan and the core universities.

d. Social security/ disability and development

In order to build and strengthen the social security system, JICA will support the development of human resources. Specifically, JICA will carry out activities specific to disabilities, such as promotion of barrier-free, strengthening organizations of persons with disabilities, and improving employment and information accessibility. JICA will work on “disability mainstreaming” so that persons with disabilities are not left behind in educational, disaster risk reduction, tourism, and infrastructure development projects, based on the United Nations Convention on the Rights of Persons with Disabilities.

e. Sport for development

In order to contribute to the realization of a society in which people can lead happy and spiritually rich lives, JICA will support the improvement of access to sport in developing areas and the empowerment of individuals through sport. In addition, in order to contribute to promoting social inclusion for persons with disabilities and women, peacebuilding, and human security, JICA will support the promotion of mutual understanding and the realization of a society that respects diversity through the development of an environment where all people can enjoy sport. Specifically, JICA will use special characteristics of sport that connect people and work to promote mutual understanding and community reconciliation through sport in peacebuilding, etc.

(iii) Share universal values and realize a peaceful and secure society

a. Peace and stability

In order to contribute to the development of resilient states and societies that can prevent outbreaks and recurrences of violent conflicts, JICA will support the rehabilitation, reconstruction, and strengthening of social and human capital, the delivery of inclusive social services, and the capacity development of governmental institutions, particularly local governments, in countries affected by conflicts and countries facing a risk of conflict. In addition, in order to enhance social cohesion within local communities and strengthen social capital, JICA will support community reconciliation and livelihood improvement, as well as efforts to resolve various social issues such as refugees and forcibly displaced populations, landmines/unexploded ordnance resulting from conflicts. JICA will also support efforts for conflict prevention and social stability. Throughout its cooperation efforts, JICA will take into account the promotion of inclusiveness, transparency, and fairness in all of its activities. For activities related to refugees and internally displaced persons, JICA will particularly promote partnership between humanitarian and development agencies, including in promoting peaceful coexistence between refugees/internally displaced persons and host communities.

b. Rule of law and governance

JICA will support efforts to realize a society in which universal values, such as human rights, freedom of speech, democracy, respect for basic human rights, and the rule of law, are shared, and in which each citizen in developing areas is respected as a human being. Specifically, in order to

strengthen democratic and inclusive governance, JICA will support the strengthening of capacity for the development and operation of laws and regulations, the law enforcement capacity of security agencies and maritime security agencies, and the capacity of international public goods related to the seas and cyberspace, the improvement of access to justice, the improvement and enhancement of election management, the strengthening of public broadcasting and media functions, and the strengthening of functions and human resource of administrative agencies. In carrying out its assistance, JICA will respect the cultural and social background of each recipient country and share the experience and outcomes of the efforts of Japan, while also considering ways to collaborate with citizens.

c. Public finance and financial systems

In order to strengthen the public finance and financial systems, JICA will support the strengthening of the revenue base through cooperation with tax and customs authorities, the strengthening of expenditure management through planning and management of public investment and debt management, and the development of financial markets. JICA will also support trade facilitation and improvement of connectivity, and border management capacity through cooperation with customs authorities. In carrying out its assistance, JICA will use Japan's experience of economic growth after the World War II and public financial management.

d. Promotion of gender equality

In order to incorporate gender perspectives into projects and promote gender equality and women's empowerment, JICA will support the development and improvement of policies and institutions, the strengthening of women's agency, and changes in social awareness and behavior. In addition, by providing opportunities for women to acquire knowledge and skills through training and overseas study programs, JICA will support women's independence and self-realization. Specifically, JICA will strengthen efforts for women's peace and security, including the promotion of women's economic empowerment and the elimination of gender-based violence, while working to promote women's education and lifelong health, promote gender-equal governance, and develop basic infrastructures, such as electricity, water supply, and public transportation, that will lead to improvement of women's lives and participation in economic activities, thereby enhancing gender mainstreaming in terms of both quality and quantity. At the same time, JICA will respect diversity, including sexual orientation and gender identity.

e. Promote digitalization and digital transformation (DX)

In order to contribute to the activities for and promotion of digitization of the economy and society under the concept of Data Free Flow with Trust (DFFT) etc., JICA will support building an inclusive economy and society that realizes the diverse well-being of individuals and free and safe cyberspace, through the development of human resources and conducive environment. Specifically, JICA will work to strengthen human resources and organizations responsible for providing stable and comprehensive digital services, promote the private sector, develop infrastructure, and strengthen cybersecurity to build free and secure cyberspace. JICA will also work to promote digital transformation in development projects of various fields, aiming to increase development impacts

through the use of digital technologies and data.

(iv) Build a sustainable and resilient international community by addressing global challenges

a. Climate change

JICA will support developing countries through partnerships with relevant domestic and international organizations, such as UNDP and the Green Climate Fund (GCF), so that the governments of developing countries can steadily implement the Paris Agreement, which is an international framework for climate change measures, including the promotion of a decarbonized society, throughout the country and can improve their capacity to address development issues they face while balancing the promotion of climate change measures. In particular, JICA will support efforts to realize a decarbonized society and to realize a sustainable and resilient society. Throughout its cooperation efforts, JICA will facilitate the implementation of the Paris Agreement, such as the Nationally Determined Contribution (NDC), and seek solutions to development issues (development benefits). JICA will also proactively promote the co-benefit approach, which calls for co-benefits that contribute to climate change measures (climate benefits), and will enhance climate change measures in terms of both quality and quantity. At the same time, JICA will emphasize efforts for technological innovation, mobilization of private funds and utilization of technology, and partnerships with local governments and other organizations. In addition, it will promote mainstreaming of climate change by examining mitigation measures and adaptation measures at the project formulation and planning phases, as well as promote climate change measures of each country.

b. Natural Environment Conservation

In order to harmonize the conservation of the natural environment with human activities and prevent the decline and degradation of the natural environment, JICA will contribute to climate change measures and biodiversity conservation towards contribution to the realization of the agreed targets under the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity (post-2020 global biodiversity framework, etc.) by supporting the conservation of ecosystems such as forests in land areas (tropical forests and arid and semi-arid forests), mangrove forests in lakes, marshes and sea areas (especially coastal areas), and coral reefs, as well as the management of areas contributing to the conservation of ecosystems and the promotion of sustainable use of natural resources. Throughout its cooperation efforts, JICA will work to develop policies, plans, scientific information infrastructure for monitoring and evaluation, to expand the project scale through the use of external funds and collaboration, and to enhance industry-academia-government-private sector partnerships through platforms, etc.

c. Environmental management

JICA will support the improvement of waste management, the promotion of a sound material-cycle society, the prevention of water and air pollution, and strengthening environmental control measures, with a focus on strengthening the capacity of administrative organizations and operating entities in charge of environmental management in developing areas. Specifically, JICA will endeavor to strengthen partnerships with local governments, universities, and the private sector in Japan so that they can use their technologies and knowledge, through “the JICA Clean City Initiative” which

provides comprehensive support for waste management, sewerage system development, and air pollution control measures with the aim of realizing "clean cities," which are the strength of Japan. JICA will also take into account comprehensive capacity building, including science-based planning and policymaking, the implementation of the plans and policies, the utilization of innovation, the expansion of projects through partnerships with development partners, and the development of policies, legal systems, and implementing structures.

#### d. Water resources and water supply

In order to properly manage water resources and build a society in which all people can use water sustainably as drinking water, etc., JICA will support the realization of integrated water resources management and the development of water utilities and irrigation and wastewater management organizations (water users' associations). Specifically, JICA will work to increase consultative bodies (multi-stakeholder partnerships) for consensus building and responsible entities for resolving water-related issues in the field, and increase "growing water utilities" that can finance themselves to expand and improve water services.

#### e. Disaster risk reduction

In order to contribute to the realization of a "society with less disaster risk," JICA will cooperate with developing countries to expand pre-disaster investment in disaster risk reduction by enhancing the capacities of institutions in charge of structural measures, and by strengthening overall governance for disaster risk reduction. In addition, JICA will cooperate in disaster risk reduction practice implementation to be a model that enables developing countries to accelerate pre-disaster investment in disaster risk reduction, or disseminate an ideal approach and principles of disaster risk reduction to be pursued by developing countries through the capacity development based upon Japan's technologies, institutional system, and knowledge. JICA will also allow developing countries to enhance their capacities to sustainably maintain, or expand, pre-disaster investment in disaster risk reduction by making use of their own national budget. In addition, in the event of a large-scale disaster, JICA will provide assistance for emergency response (disaster relief), and will seamlessly support to build a resilient nation and societies against natural hazards by attaining disaster risk reduction in recovery process based on the principles of Build Back Better. Throughout its cooperation efforts, JICA will take into account the use of digital technologies (e.g., satellite image) that enables to visualize systemic future disaster risk, as well as will pay attention with promoting multi-sectoral collective practices.

#### (v) Regional priority issues

JICA will carefully identify and analyze priority development issues, as well as the conditions in each country and region. It will then formulate and implement projects by taking into account Japanese Government policies, commitments, and country assistance policies.

#### a. Southeast Asia and Pacific

While Southeast Asian countries have achieved high economic growth, disparities still persist within, and between, each country in the region. Given the region's situation, and with the priority

fields of the ASEAN Outlook on the Indo-Pacific (AOIP), JICA will address vast infrastructure needs, improve connectivity including hard and soft infrastructure, reduction of disparities within the region and each country, maritime cooperation, including maritime security sector, and strengthen economic and social resilience. JICA will also develop human resources to improve productivity and facilitate technological innovation and provide support for the formation of a peaceful and safe society, including peacebuilding, and in the digital field (infrastructure development, cybersecurity enhancement, etc.). In addition, JICA will address common regional issues such as healthcare, disaster risk reduction, and climate change. In cooperating, JICA will contribute to the comprehensive and sustainable development of ASEAN as a whole, taking into account its contributions to follow Japanese Government policies, its commitments made at Japan-ASEAN summit, and its partnerships with regional organizations.

In Pacific, in order to contribute to overcoming the challenges and vulnerabilities particular to island countries, such as their narrowness, isolation, and remoteness, and to the achievement of the commitment of the Japanese Government at the Pacific Islands Leaders Meeting (PALM), JICA will address vulnerable health and medical systems, economic recovery, marine pollution and maritime security, sustainable use of fishery resources, vulnerabilities to natural disasters and climate change, strengthening connectivity through quality infrastructure cooperation, promoting trade and investment, tourism, utilization of ICT, promoting private investment, and enhancing fiscal resilience.

#### b. East Asia, Central Asia, and the Caucasus

Most of the countries in East Asia, Central Asia, and the Caucasus are located inland and many of them are former socialist countries that have shifted to market economies. These countries need long-term stability and sustainable development. Given the region's situation, JICA will support the governance enhancement, industrial diversification, infrastructure development, and human resource development. Throughout its cooperation efforts, JICA will work to strengthen healthcare systems while taking into account ways to improve connectivity in and out of the region, promote the transition to market economies, and resolve disparities.

#### c. South Asia

South Asia has the potential to become the center of the world's economic growth, due to its young population and its vast consumer demands. It is a geopolitical hub linking Asia with the Middle East and Africa, and plays a major role in the stability and development of the entire world, including neighboring regions. The region, however, has the second largest impoverished population, next to Sub-Saharan Africa, and suffers from severe economic disparities, in addition to high vulnerability to natural disasters and infectious diseases. Some countries in the region face economic and social turmoil. Taking account of the above-mentioned situations of the region, JICA will contribute to development of foundations for sustainable development towards the building of resilient society, by cooperating South Asian countries in areas including infrastructure development, improvement of trade and investment environment, initiatives to secure peace and stability, improved access to basic human needs, digitalization, and countermeasures against global threats such as climate change and disaster risks. Throughout its cooperation efforts, JICA will pay particular attention to the trust it has built up with South Asian countries, the needs of the region's land-locked countries, improvement of tangible

and intangible connectivity within the region and with other regions, and ensuring safety. Furthermore, JICA will prioritize the active dissemination of information both in Japan and South Asian countries in order to promote understanding and support for its efforts in partner countries..

#### d. Latin America and the Caribbean

While many of the countries in the region enjoy a certain extent of economic development and have the potential to achieve private partnerships and science and technology assistance, many of them also suffer from issues such as poverty, economic and social disparities, and natural disasters. The United States and multiple donors are also actively providing assistance in the region. Given the region's situation, JICA will support the strengthening of the public and private sectors and the development of infrastructure that contributes to governance, education, health, and value chain development, in order to develop an environment that further promotes stable and resilient social and economic development and economic development through trade and investment. JICA will also support efforts for global issues such as disaster risks and climate change. Throughout its cooperation efforts, JICA will prioritize partnerships with multilateral development banks and the private sector, the utilization of DX, and partnerships with leaders of new industries.

#### e. Africa

Africa is expected to form a large economy in the coming decades because of its rapid population growth, and therefore, continuous cooperation for Africa's industrial development has been increasingly important. On the other hand, challenges persist, including political instability, the decline in natural resources, and the expansion of violent extremism. Under these circumstances, JICA will work with Africa based on the assets fostered through the Tokyo International Conference on African Development (hereinafter referred to as "TICAD"), while making the best of public-private partnership, in the following pillars. First, JICA will promote efforts to address social development issues, such as strengthening health and medical systems, realizing decent work, and addressing global issues through the African Clean Cities Platform and other initiatives,. Second, JICA will support the construction of a resilient African economy and self-reliant growth, including efforts toward regional economic integration. Third, throughout these cooperation efforts, JICA will emphasize ensuring peace, stability, and security, and strengthening fair and inclusive governance, which are prerequisites for achieving a stable society. JICA will also proactively utilize DX across these pillars, and contribute to Africa's continental priorities, such as Agenda 2063, African Union (AU)'s long-term vision for Africa's integration and development. Taking the opportunity of TICAD and other events, JICA will proactively communicate these strategies and initiatives to the international community and Africa.

#### f. Middle East and Europe

Ten years have passed since the Arab Spring uprisings in the Middle East. However, many countries are still experiencing political instability and turmoil. The influx and entrenchment of Syrian refugees has become a major social and financial burden on neighboring countries. In addition to emergency humanitarian assistance by the international community, it is necessary to extend support to communities hosting refugees and address structural problems in the mid to long-term that triggered the crisis to begin with, including poverty and unemployment. In Europe, including the Balkans, the

consolidation of peace and economic development is of the utmost necessity to ensure stability in the region. Given the region's situation, JICA will extend its cooperation targeting efforts to reduce social and regional disparities, develop human resources which support the country's development and infrastructure, improve the region's investment environment, maintain and conserve the region's natural habitats, and address conflict and refugee issues, in order to contribute to quality growth that embraces all people. Throughout its cooperation efforts, JICA will take into account its contribution to regional strategies and initiatives of the Japanese Government and its response to the pandemic.

(2) Cultivate future leaders in developing areas, who can foster a long-lasting bilateral relationship between each country and Japan through the JICA Development Studies Program and JICA Chair (JICA Program for Japanese Studies)

JICA will support the development of future leaders who can foster a long-lasting bilateral relationship between each country and Japan and core human resources who are responsible for resolving developing issues in those countries, with a view to gaining understanding of the basic principles of Free and Open Indo-Pacific, based on shared values and principles, such as the promotion of human security and the rule of law. Throughout its cooperation efforts, JICA will provide opportunities to gain expertise in respective academic fields, including Japan's development experiences. At the same time, JICA will provide JICA scholars with Japan's modernization and development experiences and development cooperation experiences as a donor country through partnerships with universities in Japan, and will also work to provide these experiences and establish courses in JICA Chair (JICA Program for Japanese Studies) through partnerships with overseas universities and research institutions. In addition, JICA will work to maintain and develop medium- to long-term relationships with participants of these programs, contribute to the JICA Global Agenda through human resource development, and develop and visualize further outcomes by strengthen the synergies with each related project.

(3) Contribute toward addressing development issues through partnerships with the private sector and other partners

JICA will implement wide-ranging schemes with private companies and other partners, including support for small and medium enterprises and SDGs businesses, preparatory surveys (private sector investment finance), and Private Sector Investment Finance, which would encourage private sector engagement in development cooperation through close collaboration with other government agencies. At the same time, JICA will take into account the increase in the development effect by ensuring consistency with the JICA Global Agenda, and the facilitation of partnerships with the private sector by JICA as a whole. In addition to expanding Private Sector Investment Finance by strengthening partnerships with external organizations, including fund mobilization, JICA will improve partnership schemes and develop human resources to address Japanese private sector needs. Furthermore, JICA will formulate and implement projects that help export infrastructure, facilitate Japanese business activities in developing areas, and revitalize the Japanese regional economy.

JICA will also help accelerate development solutions in developing areas by promoting the expansion of Japanese small and medium enterprises' business ventures abroad. In addition, JICA will promote the participation of small and medium enterprises in development cooperation efforts through

customer-oriented system improvement, thoroughly manage the progress of adopted projects, further facilitate opportunities to match development needs with small and medium enterprises products and technology, utilize small and medium enterprises products and technology in development cooperation, and facilitate small and medium enterprises business expansion in developing areas. Throughout its cooperation efforts, JICA will strengthen its partnerships with related organizations to leverage synergies.

(4) Strengthen ties between various partners and developing areas, and contribute to the acceptance of foreign human resources and multicultural coexistence

a. JICA volunteer programs (JICA Overseas Cooperation Volunteers)

In order to help address development issues through grassroots activities in developing areas, as well as encourage Japanese people to participate the program and also foster a collaborative understanding with the people in the developing areas, JICA will implement volunteer programs (JICA Overseas Cooperation Volunteers). Through partnerships with various stakeholders of the program, including local governments, universities and other educational institutions, and the private sector, JICA will strive to realize the program sustainable from participation to social contribution after returning home. Through a series of processes (training, dispatch, and support after returning home), JICA will also develop human resources who can play an active role both in Japan and overseas in the future, such as support for the creation of a multicultural coexistence society and regional revitalization, and two-way international cooperation. In addition to resolving problems of developing countries by using Japanese technology and knowledge, JICA will widely disseminate outcomes of the program through the promotion of social contribution, thereby raising public understanding of and willingness to participate in development cooperation.

b. Acceptance of foreign human resources and multicultural coexistence

JICA will support efforts to properly accept foreign human resources and build a more culturally varied, inclusive society in Japan, becoming a country chosen by foreign human resources. At the same time, JICA will work to strengthen partnerships with local governments, NPOs, and the private sector through ex-JICA volunteers, coordinators for international cooperation, and domestic offices, as well as with governmental organizations in developing areas through overseas offices. In particular, through the introduction of ex-JICA volunteers, allocation of coordinators for international cooperation (foreign human resources and multicultural activities), support for multicultural coexistence events, and the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI), JICA will strengthen partnerships with local governments, NPOs, and the private sector, strengthen the capacity of ministries, agencies, and educational and training institutions responsible for labor policies in developing areas, and promote the utilization of returned human resources.

c. Partnerships with local governments

JICA will support to accelerate solutions for development issues in developing areas by bringing in Japanese local governments' administrative expertise and technologies. At the same time, JICA will strengthen partnerships with local governments and international associations, thereby

promoting regional collaboration through coordinators for international cooperation. In addition, JICA will promote participation in development cooperation and expansion of activities in overseas by helping local governments in Japan to share their own cooperation experiences with others.

d. Partnerships with NGOs/CSOs

JICA will deepen knowledge of development issues with NGOs and CSOs and promote the strengthening of partnerships through NGO-JICA study sessions. At the same time, JICA will emphasize the use of the strengths and variety of approaches of NGOs/CSOs. JICA will also promote local activities of Japanese NGOs/CSOs and project formation through strengthening functions of overseas offices for collecting and disseminating information on local civil society. In addition, JICA will promote the strengthening of the role of regional network NGOs by conducting support program for NGOs and other organizations.

e. Partnerships with universities and research institutions

JICA will implement projects utilizing the academic expertise and networks of universities and research institutions. Particularly through the “Science and Technology Research Partnership for Sustainable Development” (SATREPS) program, JICA will promote to acquire and develop necessary knowledge and technologies to resolve global issues of developing countries and Japan. In addition, to cultivate future leaders who will work together with Japan to resolve issues of developing areas and achieve the SDGs, JICA will collaborate with Japanese universities to secure and provide quality school attendance opportunities in light of the characteristics and policies of the universities. Furthermore, JICA will contribute to the further internationalization through helping to share development cooperation experiences by of universities, research institutions, and local societies with university/research students and local communities.

f. Development education

JICA will support the promotion of development education in schools and local communities through training and teaching material production, in order to cultivate the ability of children, students, and citizens to recognize global diversity, issues, and the relationship between Japan and other countries, foster their abilities to treat those problems as their own, and participate in development efforts, as well as in order to contribute to regional revitalization through ties with developing areas and the promotion of multicultural coexistence in local communities. At the same time, JICA will promote projects effectively through partnerships with educational institutions, such as schools and boards of education, etc., NGOs, and the private enterprises. In addition, JICA will use its domestic offices, including the JICA Global Plaza, to support community-based development cooperation activities and foster better understanding of the importance of development issues and development cooperation.

g. Collaboration with the Nikkei communities

In order to contribute to strengthening the capability of Nikkei (Japanese immigrants and descendants) communities in Latin America and the Caribbean and Japan to respond to various issues, JICA will support efforts to strengthen collaboration with the Nikkei communities. Given that Nikkei

communities are an important partner in resolving today's domestic issues, such as the acceptance of foreign human resources, the construction of a multicultural coexistence society, regional revitalization, etc., JICA will seek synergies of cooperation between Japan and Nikkei communities, strengthen relations with people with a great affinity toward and knowledge of Japan's around Nikkei communities, and support the sustainable development of Nikkei communities. At the same time, JICA will work to strengthen partnerships with activities of local governments (in particular, prefectures that sent a lot of emigrants in the past and cities with large Nikkei populations) and enterprises, support Japanese language education, and strengthen the management system of the Japanese Overseas Migration Museum, while taking into account the involvement of people who are expected to have a good understanding of Japan around Nikkei communities, the development of next-generation human resources, and the maintenance of Nikkei identity.

#### (5) Strengthen foundations for implementation

##### a. Public relations

In order to proactively disseminate Japan's development cooperation and its outcomes, and to gain the understanding and sympathy of the target layers, such as citizens and opinion leaders in Japan and overseas, JICA will carry out highly strategic public relations activities by using effective media in a complex manner for each target layer. At the same time, JICA will carry out public relations activities that are easy to understand and highly transparent, in order to increase trust in projects and organizational management. In addition, in order to improve the effectiveness of public relations activities, domestic and overseas offices will work together to strengthen partnerships with the Japanese Government, government agencies, enterprises, educational institutions, and civic organizations.

##### b. Project evaluations

In accordance with the PDCA cycle, JICA will ensure accountability by properly conducting ex-ante evaluation, monitoring, and ex-post evaluation and by publicizing evaluation results in a prompt, clear, and easy-to-understand manner for the general public. In addition, JICA will emphasize the importance of using lessons learned and recommendations from the results of project evaluations in the formulation and implementation of projects, thereby improving the quality of projects and improving project progress management methods, including setting appropriate project costs and project periods. In particular, during ex-post evaluations, JICA will deploy third-party evaluators to ensure objectivity. Furthermore, JICA will promote cooperation with various organizations to improve the quality of project evaluations by strengthening its professional analyses. In addition, it will newly promote the introduction of evaluation method well suited for the latest project management methods by JICA, and work to establish necessary evaluation systems.

##### c. Recruit and train human resources who engage in development cooperation

In order to contribute to the recruitment and development of development cooperation personnel in response to the diversification and complexity of development issues, JICA will work to expand the scope of human resources, focusing on young people, and develop human resources in important fields. At the same time, JICA will promote the career development of development

cooperation personnel by bringing more users to the international cooperation career website, called “PARTNER” and by disseminating and providing career-related information. In addition, JICA will work to strengthen and improve the capacities of young people by providing internship programs and other practical opportunities and conducting training.

#### d. Research

In order to contribute to the peace and development of the world through the improvement of project quality and the formation of international trends concerning development cooperation, JICA will conduct research in six areas (politics, economy, human development, peace, global environment, and development cooperation), and aim to make the JICA Ogata Sadako Research Institute for Peace and Development (JICA Ogata Research Institute) a base for domestic and international development and international cooperation research through proactively disseminating the research outcomes. In conducting research, JICA will flexibly pursue universal values and disseminate research outcomes based on changes in the international order, Japan's experience, and the history and culture of each country. In addition, JICA will take into account today's issues and threats, such as the shift to an information society and climate change. Utilizing knowledge obtained from JICA's project sites and Japan's development experience, JICA will also work to co-create knowledge that contributes to the strategic promotion of the SDGs and the realization of human security through partnerships with researchers in Japan and overseas. JICA will feedback the research outcomes to projects and widely disseminate to aid practitioners, researchers, and policymakers in Japan and overseas through various advanced media, in order to further strengthen Japan's intellectual presence in the international community. JICA will also work to develop research personnel within JICA.

#### e. Emergency disaster relief

In order to promptly, efficiently, and effectively provide relief to victims of large-scale disasters, JICA will conduct training and drills based on international standards and strengthen the capacity of the Japan Disaster Relief Team. In addition, in order to strengthen the dispatch system through the preparation of materials and equipment at an international level, emphasis will be placed on ensuring promptness and maintaining and improving team response capacities. For example, the management and transportation systems necessary for the rapid and reliable transportation of materials and equipment will be reviewed in light of the situation of international air cargo transportation, which has been reduced due to the miniaturization of aircraft and the spread of COVID-19.

#### f. Strengthen the strategic nature of projects and system improvement

In light of the growing importance of development cooperation as a tool for realizing foreign policy, JICA will contribute to the formulation and revision of development cooperation policies concerning regions, countries, and issues through the formulation of the JICA Country Analysis Papers and the JICA Global Agenda in order to strategically implement projects. Through these efforts, JICA will also work to share information and exchange opinions for formulating policies of Japan, and disseminate information to and learn from various development partners, including governments and the private sector, in developing areas. In addition, JICA will promote strategic approaches, such as clarifying its contribution to the SDGs, by combining its various assistance tools, and by improving

predictability and impact of projects. At the same time, JICA will improve its systems and operation methods in response to needs for improvement in promptness.

g. Proactive contribution in international discussions and promotion of partnerships with international organizations and other donors

In order to contribute to the formation of norms and trends in international development cooperation, JICA will disseminate its knowledge and experience at international conferences and platforms that affect the formation of norms and trends, in accordance with the position of the Japanese government. In addition, JICA will promote partnerships with international organizations and other donors through discussions at the headquarters level, with a view to effectively and jointly disseminating its knowledge and experience at international discussions and strategically promoting joint implementation and synergy effects in projects. JICA will also strengthen partnerships and share experiences with emerging donors, including through South South and triangular cooperation, to promote the outreach of international development cooperation frameworks to emerging donors.

h. Environmental and social considerations

In order to avoid, minimize, reduce, mitigate, and compensate for the negative impact of development cooperation projects on the environment and society, JICA will manage its operations based on the JICA Guidelines for Environmental and Social Considerations through partnerships with the World Bank and other organizations and with the involvement of third parties. In implementing cooperation projects, JICA will respect internationally established human rights standards, including the International Covenant on Human Rights. In addition, JICA will promote the understanding of more people on environmental and social considerations and the guidelines through training and seminars for persons in Japan and overseas involved in JICA and officials of implementing organizations in developing countries. JICA will also disseminate and implement revised guidelines through transparent and accountable processes.

i. Fraud and corruption prevention

In order to prevent fraud and corruption in development cooperation projects, JICA will take strict measures against fraudulent and corrupt practices in accordance with laws, regulations, rules, and guidelines, and will endeavor to develop various systems related to the prevention of fraud and corruption and to raise awareness among contracted personnel concerning the prevention of fraud and corruption.

### **3. Necessary measures to improve administrative operational efficiency**

(1) Strengthen organizational structure and infrastructure, and improve operations and efficiency of operations through the promotion of DX

In order to respond more flexibly and promptly diverse, complex, and wide-ranging development issues and enhance the value of its operations, JICA will proactively utilize external knowledge to enhance efficiency and optimize its organizational and operational structures, clarify the roles and responsibilities of headquarters and domestic and overseas offices, and optimally allocate its management resources to them. In addition, JICA will promote DX while reviewing the processes of

main operations. In particular, JICA will promote the acceleration and efficiency of projects through the review and digitization of operations and procedures. At the same time, JICA will appropriately develop and manage information systems in accordance with the Basic Policy on Development and Management of Information Systems (Minister Decision on December 24, 2021, Digital Agency). JICA will also strengthen the information system infrastructure necessary for the promotion of DX and improve the IT literacy of JICA staffs.

In addition, regarding overall operations including technical cooperation projects, JICA will proactively consider and promote the use of digital technologies, with a focus on existing face-to-face operations, from the viewpoint of securing the operational implementation system and improving operational efficiency after COVID-19 while ensuring development effects.

For domestic offices, JICA will promote the use of facilities as a regional focal point for development cooperation.

## (2) Optimize and streamline administrative operations

### a. Costs

During the Medium-term Objective period, JICA will improve the efficiency of operational grants by at least 1.4% in each fiscal year with regard to the total general administrative and operating expenses (excluding special operating expenses and personnel expenses), while simultaneously preserving the quality of operations. In addition, for operations that will be newly formulated in a fiscal year that require operational grants, the operational cost will be rationalized by 1.4% or more from the following fiscal year. For expenses that are indirectly incurred in project implementation, JICA will analyze the factors of increase or decrease of the expenses in each fiscal year and improve their efficiency as necessary.

### b. Personnel costs

JICA will review its staff assignments, as necessary, in order to meet the roles expected by the Japanese Government and society when contributing to the achievement of various international development goals. JICA will verify the rationality and appropriateness of salary levels strictly, including allowances, with proper consideration of other government employees, and it will continuously work to rationalize its salary levels. JICA will also disclose its salary levels for each fiscal year, its rationality, and its appropriateness to the public. In addition, taking into account the changes in the environment surrounding JICA, JICA will consider appropriate personnel plans and personnel cost structures as necessary.

### c. Assets

JICA will continue to disclose detailed information about its assets and will constantly review the necessity of holding its assets by taking into account its level of use, the possibility of further use without hampering its operations, the ability for effective disposal, and the economic rationalization of keeping the possession. Through these reviews, JICA will extensively examine the necessity to retain assets, and will return unnecessary assets to the national treasury, so long as doing so would not hamper its operations.

#### d. Procurement

In accordance with the “Promotion of Rationalization of Procurement in Incorporated Administrative Agencies” (Minister Decision on May 25, 2015, Ministry of Internal Affairs and Communications), JICA will establish and properly implement its rational procurement plan by properly taking into consideration JICA’s operations and management. JICA will enhance transparency through external assessments and review by the Contract Monitoring Commission, composed of the external experts. In addition, JICA will appropriately take a procedure if it intends to conclude a non-competitive negotiated contract based on its internal rules, according to the purpose of the project. JICA will also strengthen capacities of procurement in domestic and overseas offices through seminars and promotion of DX. At the same time, JICA will introduce systems to procure high-quality proposals at a rational price by improving the quality of request for proposal and applying QCBS (Quality and Cost Based Selection) to consultants’ contracts for technical cooperation projects, thereby encouraging new competitors, improving bidding competitiveness, and streamlining and improving procurement.

#### **4. Financial improvement**

For operations that use operational grants, JICA will properly draw up a budget, an income and expenditure plan, and a financial plan for the Medium-term Plan that take into account the items that are stipulated in “3. Necessary measures to improve administrative operational efficiency.” Based on these plans, JICA will properly manage the disbursement of budget to ensure quality operations. JICA will analyze the cause of operational grant liabilities at the end of each fiscal year and strictly calculate the amount of operational grants each year so that the outstanding balance will be at the appropriate level. In addition, JICA will continue to work to secure, and properly manage, its own revenue.

#### **5. Security measures and construction safety**

In order to ensure the safety of personnel involved in international cooperation projects, JICA will take steady and prompt safety measures based on the “Final Report of the Council on Safety Measures for International Cooperation Projects” announced on August 30, 2016. Specifically, JICA will work to prevent threats, strengthen both hardware and software security, and respond quickly and appropriately to crises (including security measures against the effects of the COVID-19 pandemic). JICA will also work to raise the awareness of the persons concerned through the implementation of security training including practical training. In addition, JICA will promote efforts to prevent and reduce accidents and disasters in facility construction projects, etc., and conduct surveys and seminars on construction safety and take appropriate safety measures.

#### **6. Other important operational management items**

##### (1) Internal control

JICA will strengthen the conditions for the functioning of internal control and steadily implement regulations.

JICA will identify, analyze, and evaluate risks and appropriately respond to the risks in its operational management. In order to ensure the proper operation of Finance and Investment Cooperation, JICA will manage various risks associated with Finance and Investment Cooperation

Account through identification, measurement, and monitoring of the risks.

JICA will properly operate the Internal Whistleblowing system and the External Reporting system for early detection and correction of illegal acts, etc., and for ensuring the fairness of JICA's operational management.

In addition, in order to ensure the appropriateness of operations, JICA will carry out internal audits in accordance with the International Professional Practices Framework of internal auditing, and steadily conduct follow-up to the audit results.

With regard to information security, by using JICA's Information System Committee and Information Security Committee frameworks, JICA will revise the Information Security Management Rules in accordance with the "Common Standard on Cyber Security Measures of Government Entities", and work to strengthen the organizational response capacity for information security based on the plan to promote information security measures. JICA will continuously improve its information security measures through annual reviews of the plan to promote information security measures based on the PDCA (plan-do-check-act) cycle. To promote organization-wide DX, JICA will enhance information security measures including the use of cloud services.

**7. Budget, income and expenditure plan, and financial plan (excluding the Finance and Investment Cooperation Account)**

See Attachments 1, 2, and 3.

**8. Short-term loan ceilings**

General Account: 63 billion yen, Finance and Investment Cooperation Account: 290 billion yen

Reasons: The General Account requires loans to avoid late payments of personnel expenses to staff members and operational expenses in the event of an approximately 3-month delay in the receipt of operational grants from the Japanese Government. The Finance and Investment Cooperation Account requires loans to quickly and efficiently address events such as short-term funding gaps involving short-term loan repayments and the collection of loans receivable, temporary funding when FILP agency bonds are issued, rapid changes in the amount of loans extended, and other events.

**9. Plan on the disposal of assets if there is any unnecessary asset or any asset that is expected to become unnecessary**

Not applicable.

**10. Plan on the transfer of important assets or provision of assets as security other than the assets provided in the preceding item**

Not applicable.

**11. Using surplus funds (excluding the Finance and Investment Cooperation Account)**

JICA may allocate surplus funds to programs that will be able to improve its quality of operations, facilities, and equipment, while simultaneously taking into account the progress of the Medium-term Plan. The use of reserve funds that have been accumulated by incurred profits through

reductions of expenditures covered by operational grants will be limited to expenditures that will be covered by the operational grant (excludes those covered by subsidies, which are allocated separately).

## 12. Other operational management related items stipulated by ordinances of the competent Ministry

### (1) Plan for facilities and equipment

Based on the maintenance plan with a long-term perspective, JICA will strive for effective and efficient management of facilities and equipment, as well as carry out their maintenance with a view to enhancing their long-life use, safety, functionality, and economy, etc.

#### Facilities and Equipment Plan: Fiscal 2022-2026

(Million yen)		
Facilities and equipment	Source of funds	Budget
Maintenance and renovation of facilities at headquarters, domestic offices, and others	Subsidies for facilities, etc.	Total 10,835
		Total 10,835

Note: The amount of the subsidies for facilities, etc., is determined during the budget formulation process of each fiscal year.

### (2) Personnel planning for strengthening organizational capacity

JICA will promote its human resource management to improve its operational quality through productivity improvement by providing each staff member with the chance to proactively maximize their potential as a career professional in the field of development cooperation. Specifically, JICA will continue to work on placing the right people in the right positions with the aim of achieving overall optimization, creating an enabling environment for female staff to take leading roles in the organization, utilizing diverse human resources including national staff, staff subject to the fixed-term employment system and elderly people, developing institutional rules and operating them thoroughly to promote cooperation with external human resources, strengthening health management, promoting and support new ways of working and their establishment, vitalizing communication and strengthen human resource development, and improving its overall work environment.

In addition, JICA will provide autonomous career development opportunities, including secondment programs for staff to be dispatched to other organizations and in-house recruitment, and provide opportunities for capacity building by developing and enhancing the training system. Through these measures, JICA will also strengthen the expertise of its staff and foster core human resources to help them respond to the recent expansion and increased complexity and diversity of JICA's operations.

(3) Handling of assets acquired through the disposal of reserve funds and the collection of claims, etc.

(Article 31, Paragraph (1) of the Act for the Incorporated Administrative Agency Japan International Cooperation Agency and Article 4, Paragraph (1) of the Supplementary Provisions of the Act)

When reserve funds remain in the final fiscal year of the previous Medium-term Objectives period after the procedure prescribed in Article 44 of the General Rules, the portion of the amount approved by the competent ministers can be used as follows: for contracts where liabilities exceed the medium-term Objectives period due to unavoidable circumstances in the immediately preceding Medium-term Plan; and for handling accounts such as the amount that affects profits and losses in the account for transitional functions that were recorded during the previous Medium-term Objectives period and in other cases (excluding operations for Finance and Investment Cooperation).

For recovered claims and other funds that have been received during the previous Medium-term Objectives period, those funds will be properly submitted to the Japanese Government in accordance with the Act for the Incorporated Administrative Agency Japan International Cooperation Agency.

(4) Liabilities that go beyond the Medium-term Objectives period

JICA may enter into contracts that exceed the current Medium-term Objectives period if the necessity of such liabilities is recognized

End

(Million yen)

Items	Priority development cooperation issues	JICA Development Studies Program	Partnerships with the private sector	Partnerships with various development partners	Strengthen foundations for implementation	Common to agency	Total
Revenues							
Operational grants	485,268	40,906	26,319	98,341	32,827	48,906	732,567
Subsidies for facilities, etc.	-	-	-	-	-	10,835	10,835
Interest income & miscellaneous income	1,534	-	-	-	-	-	1,534
Contracted programs	1,423	-	-	31	15	-	1,468
Donations	-	-	-	423	-	-	423
Other revenues	-	-	-	-	-	-	-
Reversal of reserve funds carried over from the previous Medium-term Objective period	-	-	-	-	-	-	-
Total	488,225	40,906	26,319	98,795	32,842	59,741	746,827
Expenditures							
Operating expenses	486,802	40,906	26,319	98,341	32,827	-	685,194
(Excluding special operating expenses)	486,802	40,906	26,319	98,341	28,427	-	680,794
Facilities	-	-	-	-	-	10,835	10,835
Contracted programs	1,423	-	-	31	15	-	1,468
Donation programs	-	-	-	423	-	-	423
General administrative expenses	-	-	-	-	-	48,906	48,906
Total	488,225	40,906	26,319	98,795	32,842	59,741	746,827

[Estimated personnel expenses] The estimated personnel expenses for the plan period are 88,407 million yen. However, the figures in the table above only reflect expenses associated with remunerations to officers, basic salaries, work-related expenses and overtime allowances for staff members, and administrative leave pay.

[The metric used to calculate operational grants] Operational grants were calculated based on the rule-based method.

[The rule on how to calculate operational grants] See Appendix

Note 1. In some cases, the numbers do not correspond to the figures reflected in the "Total" section, because of rounding estimates.

Note 2. The figures for "Subsidies for facilities, etc." in the revenue section and "Facilities" in expenditures are based on figures from the business year 2022 Facilities and Equipment Plan. The actual figures are determined during the budget formulation process, etc., of each fiscal year.

Note 3. Because Grant Aid planning is determined by cabinet decision, the budget, income and expenditure plan, and funding plan prescribed in Article 13, Paragraph (1), Item iii a of the Act for the Incorporated Administrative Agency Japan International Cooperation Agency (Act No. 136 of 2002) are not included.

**Income and Expenditure Plan**

Attachment 2

(Million yen)

Items	Priority development cooperation issues	The JICA Development Studies Program	Partnerships with the private sector	Partnerships with various development partners	Strengthen foundations for implementation	Common to agency	Total
Expenses	491,327	41,167	26,486	99,422	33,023	61,118	752,542
Ordinary expenses	491,327	41,167	26,486	99,422	33,023	61,118	752,542
Operating expenses	489,904	41,167	26,486	98,968	33,008	-	689,533
(Excluding special operating expenses)	489,904	41,167	26,486	98,968	28,608	-	685,133
Contracted programs	1,423	-	-	31	15	-	1,468
Donation programs	-	-	-	423	-	-	423
General administrative expenses	-	-	-	-	-	52,936	52,936
Depreciation	-	-	-	-	-	8,181	8,181
Financial expenses	-	-	-	-	-	-	-
Extraordinary loss	-	-	-	-	-	-	-
Revenues	491,289	41,167	26,486	99,422	33,023	61,118	752,542
Ordinary revenues	491,289	41,167	26,486	99,422	33,023	61,118	752,504
Operational grants	485,268	40,906	26,319	98,341	32,827	47,605	731,265
Interest income & miscellaneous income	1,497	-	-	-	-	-	1,497
Contracted programs	1,423	-	-	31	15	-	1,468
Donations	-	-	-	423	-	-	423
Reversal of asset return debt	-	-	-	-	-	8,181	8,181
Provision of bonuses	3,102	261	168	627	181	869	5,208
Provision of retirement benefits	-	-	-	-	-	4,462	4,462
Financial revenues	38	-	-	-	-	-	38
Interest income	38	-	-	-	-	-	38
Other revenues	-	-	-	-	-	-	-
Extraordinary profits	-	-	-	-	-	-	-
Net income (loss)	-	-	-	-	-	-	-
Reversal of reserve funds carried over from the previous Medium-term Objective period	-	-	-	-	-	-	-
Total income (loss) for the current year	-	-	-	-	-	-	-

Note: In some cases, the numbers do not correspond to the figures reflected in the "Total" section, because of rounding estimates.

(Million yen)

Items	Priority development cooperation issues	The JICA Development Studies Program	Partnerships with the private sector	Partnerships with various development partners	Strengthen foundations for implementation	Common to agency	Total
Cash outflow	488,269	40,906	26,319	98,795	32,842	329,230	1,016,360
Operational payments	488,225	40,906	26,319	98,795	32,842	47,605	734,691
Operating expenses	486,802	40,906	26,319	98,341	32,827	-	685,194
(Excluding special operating expenses)	486,802	40,906	26,319	98,341	28,427	-	680,794
Contracted programs	1,423	-	-	31	15	-	1,468
Donation programs	-	-	-	423	-	-	423
General administrative expenses	-	-	-	-	-	47,605	47,605
Investment payments	-	-	-	-	-	12,137	12,137
Purchases of non-current assets	-	-	-	-	-	12,137	12,137
Financial payments	-	-	-	-	-	-	-
Payments to national treasury for unnecessary properties	-	-	-	-	-	-	-
Payments to the national treasury	-	-	-	-	-	12,208	12,208
Carryover to the following business year	44	-	-	-	-	257,281	257,325
Cash inflow	488,269	40,906	26,319	98,795	32,842	329,230	1,016,360
Operational proceeds	488,225	40,906	26,319	98,795	32,842	48,906	735,992
Operational grants	485,268	40,906	26,319	98,341	32,827	48,906	732,567
Interest income & miscellaneous income	1,534	-	-	-	-	-	1,534
Contracted programs	1,423	-	-	31	15	-	1,468
Donations	-	-	-	423	-	-	423
Other revenues	-	-	-	-	-	-	-
Investment proceeds	44	-	-	-	-	10,835	10,879
Subsidies for facilities	-	-	-	-	-	10,835	10,835
Sales of non-current assets	-	-	-	-	-	-	-
Loan collection	44	-	-	-	-	-	44
Financial proceeds	-	-	-	-	-	-	-
Carryover from the previous business year	-	-	-	-	-	269,488	269,488

Notes 1. In some cases, the numbers do not correspond to the figures reflected in the "Total" section, because of rounding estimates.

## Rules on calculation of operational grants

Operational grants provided each fiscal year are calculated using the following formula.

$$A(y) = B(y) + C(y) + D(y) - E(y)$$

A (y): Operational grants

B (y): Operating and administrative expenses

C (y): Personnel expenses

D (y): Special operating expenses

E (y): Interest income and miscellaneous income

○ Operating and administrative expenses B (y)

The operating and administrative expenses B (y) for each fiscal year is calculated by the following method.

$B(y) = \text{“operating and administrative expenses for the previous fiscal year } B(y-1)\text{”} \times \text{“efficiency coefficient } \alpha\text{”} \times \text{“adjustment factor } \sigma\text{”}$

■ Efficiency coefficient  $\alpha$

Specific coefficient is determined during the budget formulation process for each fiscal year.

■ Adjustment factor ( $\sigma$ )

Specific factor is determined during the budget formulation process for each fiscal year taking into account changes in operations in accordance with revisions of laws and increases or decreases in the size of operations depending on political considerations.

○ Personnel expenses C (y)

Personnel expenses are determined during the budget formulation process for each fiscal year.

○ Special operating expenses D (y)

The special operating expenses are operating expenses necessary for dealing with national policy issues for which JICA would have difficulty deciding on or executing on its own. Specific figures are determined during the budget formulation process for each fiscal year.

○ Interest income and miscellaneous income E (y)

Interest income and miscellaneous income E (y) for each fiscal year is calculated by the following method.

$E(y) = \text{“interest income for the current fiscal year”} + \text{“miscellaneous income for the previous fiscal year } F(y-1)\text{”} \times \text{“income factor } \delta\text{”}$

■ Income Factor ( $\delta$ )

Specific factor is determined during the budget formulation process for each fiscal year.

The specific coefficients and factors for the above calculations used in determining the Medium-term

Plan budget are as follows.

$\alpha$ : Efficiency coefficient (assumed to be 0.986)

$\sigma$ : Adjustment factor (assumed to be 1.00)

$\delta$ : Income factor (assumed to be 1.03)

End