Annual Report of The Examiners for the JICA Guidelines for Environmental and Social Considerations

Fiscal Year 2024

The Examiners for the JICA Guidelines for Environmental and Social Considerations

Japan International Cooperation Agency (JICA)

Objection Procedures

Japan International Cooperation Agency (hereinafter referred to as "JICA") published the *JICA Guidelines for Environmental and Social Considerations*¹ (hereinafter referred to as the "JICA Guidelines") in April 2010, and in order to ensure its compliance with the JICA Guidelines, established the Examiners for the Guidelines (hereinafter referred to as the "Examiners") in accordance with its *Objection Procedures based on The Guidelines*² (hereinafter referred to as the "Objection Procedures") published in April 2010. The Examiners are independent from the departments of JICA that are responsible for project management or environmental review (hereinafter referred to as the "Operational Departments").

The objectives of the Objection Procedures are (1) to investigate whether JICA has complied with the JICA Guidelines and report the results to the President of JICA (hereinafter referred to as the "President") in order to ensure JICA's compliance with the JICA Guidelines; and (2) to facilitate consensual dialogues between the parties concerned for the prompt resolution of disputes on any specific environmental and/or social issues that arose from JICA's alleged or confirmed non-compliance with the JICA Guidelines. "The parties concerned" refers to the parties that have submitted requests to raise objections (hereinafter referred to as "the Requesters") and "the Project Proponents" which include host country governments (including local governments) involved with the project, borrowers, and project executing agencies.

The Examiners are required to pursue these objectives while upholding basic principles i.e., independence, neutrality, efficiency, promptness, and transparency.

Annual Report of the Examiners

This annual report was prepared to publicize the activities of the Examiners carried out in Fiscal Year 2024, in accordance with the Objection Procedures.

Please refer to JICA website for the Objection Procedures and other documents including previous reports of the Examiners at:

https://www.jica.go.jp/english/our_work/social_environmental/objection/index.html

¹ The JICA Guidelines were revised in January 2022. For more information, please refer to JICA website at: https://www.jica.go.jp/english/our_work/social_environmental/guideline/index.html

² The Objection Procedures were revised in January 2022. For more information, please refer to JICA website at: https://www.jica.go.jp/english/our_work/social_environmental/objection/index.html

Acknowledgements

This annual report has been prepared in accordance with the Objection Procedures based on the Guidelines for Environmental and Social Considerations.

As stipulated in the Objection Procedures, the objectives of the Examiners' activities are to investigate whether or not JICA has complied with the JICA Guidelines and to facilitate consensual dialogues among the parties concerned for the prompt resolution of disputes concerning specific environmental and/or social issues that arose from JICA-assisted projects, and thereby ensuring JICA's compliance with the JICA Guidelines.

In the Fiscal Year 2024 the Examiners conducted investigation on one (1) request to raise objection (hereinafter referred to as "the Request").

The Examiners would like to take this opportunity to thank all the persons concerned who cooperated in the activities relating to Objection Procedures.

August 2025

Examiners for the Guidelines

KAKEGAWA Michiyo Professor, Faculty of Economics, SOKA University

SAKUMOTO Naoyuki Honorary Researcher, Institute of Developing Economies, Japan External Trade Organization (IDE-JETRO)

MURAYAMA Takehiko Professor, Department of Transdisciplinary Science and Engineering, School of Environment and Society, Institute of Science Tokyo

(Listed in the order of the Japanese syllabary)

I. Outline of Activities During the Fiscal Year 2024

1. Number of the Requests received

There were no Requests received by the Examiners during the Fiscal Year 2024.

2. Number of cases the Examiners decided to commence the process / suspend/ reject

The number of cases which the Examiners decided to commence the process in the Fiscal Year 2024 was one (1), i.e., the Request concerning the "Project for Improvement of Water Supply in Pokhara" in Nepal. There were no cases being suspended or rejected.

The Examiners conducted preliminary investigation on the "Project for Improvement of Water Supply in Pokhara" in Nepal from 21 February to 31 May 2024, and consequently decided to commence the process on May 31 and notified the Requesters of the decision.

3. Causal analysis of cases that were suspended or rejected

Not applicable.

4. Investigation reports produced by the Examiners on the Requests

- (1) The number of the Investigation Reports produced by the Examiners for Fiscal Year 2024 was one (1), i.e., the Investigation Report on the Request concerning the "Project for Improvement of Water Supply in Pokhara" in Nepal.
- (2) Preparation of the Investigation Report on the "Project for Improvement of Water Supply in Pokhara" in Nepal

From 1 June to 30 September 2024, the Examiners conducted the interviews with the local stakeholders including the Requesters as well as the Operational Departments of JICA, and governmental organizations of Nepal, and made the site visits, and confirmed the situation regarding the dialogues between the parties concerned for the resolution of disputes. In addition, the Examiners examined the collected documents and submitted the Investigation Report to the President of Japan International Cooperation Agency (JICA President) on 30 September 2024.

5. Analysis on the alleged non-compliance with the Guidelines

As a conclusion of the Investigation Report on the "Project for Improvement of Water Supply in Pokhara" in Nepal, the Examiners determined that it could not be said that there was non-compliance by JICA with the JICA Guidelines".

However, the Examiners also considered that there were areas where JICA could improve

its operations on the project implementation to further ensure its compliance with the JICA Guidelines and made the following recommendations to JICA:

(1) Information disclosure: Promoting efforts to facilitate proactive information disclosure

The Examiners recommended that JICA actively support the disclosure of the EIA report by the Project Proponents and to disclose the EIA report itself in a timely and appropriate manner without delay, in accordance with the JICA Guidelines. In addition, the Examiners noted that it was desirable for JICA to consult with the Project Proponents and had the environmental permit certification and the resettlement action plan (RAP) disclosed as well, in a prompt manner and to the extent possible.

Likewise, the Examiners recommend that, in accordance with the JICA Guidelines, efforts be made to disclose monitoring results in a timely and appropriate manner without delay. The Examiners also recommended that JICA made efforts to encourage the Project Proponents to promptly disclose the monitoring results.

(2) Consultation with the local stakeholders and social consensus building: Confirming that meaningful participation of stakeholders to be ensured and that stakeholders' opinions to be adequately reflected in decision-making

Since the JICA Guidelines require that the project ensures meaningful participation of, and consultation with, the local residents, the Examiners recommended that JICA made efforts to confirm whether or not the Project Proponents were carefully conducting consultations with the local stakeholders whose means of livelihood had been affected by the provision of their plots of land during the Project cycle (i.e., until the post evaluation is completed) and to support the Project Proponents' activities as necessary.

(3) Land acquisition: Confirming the compensation process (at full replacement cost) for land acquisition

The Examiners recommended that JICA made efforts to verify, based on the documents of the Project Proponents, whether or not compensation was actually provided at full replacement cost in compliance with the JICA Guidelines. And since the Examiners could not confirm the existence or contents of the RAP in their investigation, the Examiners also recommended that JICA made efforts to ensure that the environmental and social considerations were duly implemented based on the agreements between JICA and the Project Proponents.

6. Sending the Investigation Report to the parties concerned

The Examiners sent the English version of "Investigation Report: The Project for Improvement of Water Supply in Pokhara in Nepal" to the Requesters via e-mail on October

1, 2024, as well as the printed version via international courier. To the parties concerned in the Nepalese government, the report was sent via JICA Nepal Office.

7. Disclosure of the Investigation Report

The Examiners disclosed "Investigation Report: The Project for Improvement of Water Supply in Pokhara in Nepal" on JICA website as follows:

- (1) Japanese version (original) https://www.jica.go.jp/about/policy/environment/objection/__icsFiles/afieldfile/2024/10/16 /reportJapanese.pdf
- (2) English version (English translation of the original report)
 https://www.jica.go.jp/english/about/policy/environment/objection/__icsFiles/afieldfile/202
 4/10/16/InvestigationReportEnglish.pdf

8. Opinions submitted by the Operational Departments

In response to the contents of the Investigation Report, the Operational Departments submitted their opinions to the President in a writing dated 31 October 2024. The Operational Departments, considering the Examiners' recommendations, state that they will continue to encourage the Implementing Agency and organizations concerned, and monitor their activities and endeavor to take measures including disclosure of information in a timely and appropriate manner without delay, confirmation of, and support for, the Implementing Agency's consultations with stakeholders, verification of compensation, and due implementation of the environmental and social considerations as agreed upon by JICA and the Project Proponents.

The abovementioned opinions are disclosed on JICA website at: https://www.jica.go.jp/english/about/policy/environment/objection/__icsFiles/afieldfile/202 4/11/13/English_2.pdf

9. Opinions submitted by the parties concerned

In response to the contents of the Investigation Report, the Requesters submitted their opinions to the Examiners in a writing dated 25 November 2024. The aforementioned opinions are disclosed on JICA website at:

https://www.jica.go.jp/english/about/policy/environment/objection/__icsFiles/afieldfile/202 4/12/04/Opinion20241125_1.pdf

10. Instruction issued by the JICA President

In response to the Examiners' Investigation Report, the opinions of the Operational Departments, and the opinions of the party concerned, the JICA President instructed the Operational Departments to "steadily implement the measures planned in the Operational Departments' opinions in a writing dated 31 October".

11. Report from JICA's Operational Departments regarding the Examiners' recommendations

On 5 February 2025, the Examiners received a report from the JICA's Operational Departments on the status of the measures stated in their opinions (8. above) in response to the Examiners' recommendations to JICA in their Investigation Report (5. above) as follows:

(1) Requests to the Project Proponents

In response to the Examiners' recommendations to JICA in their Investigation Report, the Operational Departments conveyed following requests dated 20 November 2024 to the Project Proponents:

- · Submission of EIA report to JICA and approval of its disclosure by JICA,
- Submission of environmental permit certification to JICA and approval of its disclosure by JICA,
- Submission of RAP to JICA and approval of its disclosure by JICA,
- Disclosure of EIA report, environmental permit certification, RAP, and monitoring results by the Project Proponents,
- Project Proponents' continuation of careful consultation with the local residents whose means of livelihood have been affected by the provision of their plots of land, and
- Confirmation of compensation at full replacement cost for the land acquisition.

(2) Reply from the Implementing Agency

The Operational Departments received the following reply from the Implementing Agency dated 6 December 2024:

- The Implementing Agency will send the EIA report to JICA, approve JICA's disclosure of the EIA report on JICA website, and the Implementing Agency will also facilitate its disclosure of the EIA report.
- The Implementing Agency will facilitate the disclosure of environmental permit certification and RAP.
- The Implementing Agency will facilitate the disclosure of the monitoring results of environmental and social considerations.
- The Implementing Agency will continue its effort to conduct careful consultations with

local stakeholders.

- The Implementing Agency executed land acquisition in accordance with the regulations of the Nepalese government, and compensations were made in accordance with the administrative procedures.
- (3) JICA's response to the reply from the Implementing Agency (dated 6 December 2024)
- JICA disclosed the received EIA report and environmental permit certification on its website on 17 December 2024 and 23 January 2025 respectively.
- JICA has not received the RAP, but is urging the Implementing Agency for the submission. As soon as JICA receives the RAP, JICA will disclose it on its website³.
- JICA is continuously pressing for the Implementing Agency's disclosure of documents regarding environmental and social considerations. By the time of the reporting (5 February 2025), JICA has confirmed the disclosure of EIA report, environmental permit certification, and monitoring results of environmental and social considerations on their website.
- JICA has received a reply from the Implementing Agency that they have provided compensation in accordance with the regulations of the Nepalese government. In response to this reply, JICA is reconfirming with the Implementing Agency whether or not the compensation was made at full replacement cost as possible.

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³ On 16 June 2025 the Examiners received a report from JICA's Operational Departments that the RAP was disclosed on JICA's website on 9 June 2025, and the Examiners have confirmed the disclosure.

II. Collaboration and Cooperation with Other Institutions

1. IAMnet

The Independent Accountability Mechanisms Network (IAMnet) is a network for regular information sharing among the practitioners involved in strengthening accountability and compliance regarding environmental and social considerations of international financial institutions and international development agencies. The Examiners of JICA and the secretariat for the Examiners have been attending the IAMnet's annual meetings as observers since 2016, and officially joined the IAMnet in June 2019.

From 1 to 4 October 2024, The World Bank Accountability Mechanism and the Accountability Mechanism of Asian Development Bank (ADB) co-hosted the Annual Meeting of the IAMnet in Manila, Philippines, which Examiners Ms. Kakegawa, Mr. Sakumoto, and Mr. Murayama attended. In the Annual Meeting, the participants shared information and discussed the topics such as review of IAM policies, remedy for affected local residents, compliance review, and problem solving. And on 3 October, the IAMnet held a roundtable meeting with Civil Society Organizations. Through attending these meetings, the Examiners engaged in sharing information with, and strengthening the cooperation among, international financial institutions, overseas development assistance agencies, and CSOs.

2. GRAM Partnership

The Grievance Redress and Accountability Mechanisms Partnership (GRAM Partnership) is a network established by the Independent Redress Mechanism (IRM) of the Green Climate Fund (GCF), of which mandates include developing the capacity of GRAMs of Direct Access Entities⁴ and sharing lessons with accountability mechanisms of Accredit Entities including JICA. The Examiners of JICA participate in GRAM Partnership, and through attending its meetings and seminars, seek to enhance collaboration and cooperation with grievance redress mechanisms and accountability mechanisms of GCF and other institutions.

3. Sharing information on cofinanced projects

(1) Information sharing with ADB

On 14 May 2024 the Examiners received a report from the Accountability Mechanism of ADB on the measures they have taken for the complaint they received regarding "Tanahu Hydropower Project" in Nepal⁵, which is co-financed by ADB, JICA and the European Investment Bank (EIB). There have been no Requests to raise objection against JICA

⁴ Green Climate Fund (2022), Providing Leadership to the Rising Grievance Redress and Accountability Mechanisms (GRAMs) Community of Practice: Concept Note, p. 4.

⁵ For more details on this case, please refer to the ADB's report (https://www.adb.org/sites/default/files/page/632626/nep-43281-013-complaint-form.pdf)

submitted to the Examiners regarding this project.

(2) Information sharing with EBRD

On 21 May 2024 the Examiners received a report from the Independent Project Accountability Mechanism of the European Bank for Reconstruction and Development (EBRD) on the complaint against the EBRD regarding "Zarafshan Wind Farm Project" in the Republic of Uzbekistan⁶ which is co-financed by EBRD, the International Finance Corporation (IFC), ADB, the Dutch Entrepreneurial Development Bank (FMO) and JICA. There have been no Requests to raise objection against JICA submitted to the Examiners regarding this project.

III. Management Structures

1. Examiners

Pursuant to the Objection Procedures, the Examiners are selected the by the selection committee that consists of members from the realms of academia, the business community, the government of Japan, the government of developing countries, NGOs, etc., and are appointed by the President of JICA.

The Objection Procedures states that JICA assigns two or three Examiners. On 1 July 2022 Ms. KAKEGAWA Michiyo (Professor, Faculty of Economics, SOKA University) and Mr. SAKUMOTO Naoyuki (Honorary Researcher, Institute of Developing Economics-Japan External Trade Organization) were appointed as Examiners, and on 1 September 2024 Mr. MURAYAMA Takehiko (Professor, Department of Transdisciplinary Science and Engineering, School of Environment and Society, Tokyo Institute of Technology) was appointed as Examiner.

2. Secretariat of the Examiner

A secretariat is set up by JICA to support the Examiners' duties and to process administrative works in relation to the Examiners.

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 $^{^6}$ For more details on this case, please refer to the EBRD's website at: https://www.ebrd.com/home/what-we-do/projects/independent-project-accountability-mechanism/case-registry/Zarafshon-Wind.html .