

Independent Verification Statement

We have been asked to verify the disclosure statement published by JICA in August 2020 relating to the Operating Principles for Impact Management (hereinafter referred to as the “Principles”).

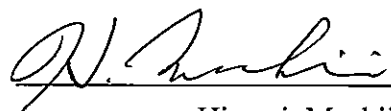
Our review does not include an assessment of the effectiveness of JICA impact measurement approach, nor the verification of the resulting impacts achieved.

Based on the documents submitted for our review, we find that nothing has come to our attention that causes us to believe that JICA has not complied, in material respects, with the Principles, which applies to Private Sector Investment Finance, as of March 31, 2020.

Our review is conducted in accordance with the audit procedure, which certifies that the business operation are properly conducted in compliance with laws and regulations and efficiently and effectively conducted. We are appointed by the competent minister based on the provisions set forth in Article 20 of the Act on General Rules for Incorporated Administrative Agencies and maintain full independence and autonomy from JICA Executive Officers and Staff. The procedure and the results of the audit are attached.

September 23, 2020

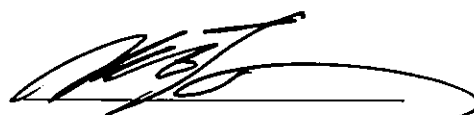
Japan International Cooperation Agency



Hiromi Machii
Auditor



Nobuhiro Hayamichi
Auditor



Masato Togawa
Auditor

Audit Report
(Provisional Translation)

Audit Report

Based on the provisions set forth in paragraph 4 Article 19, and paragraph 2 Article 38 of the Act on General Rules for Incorporated Administrative Agencies (hereinafter referred to as the “Act on General Rules”), we have audited the business operations, business reports, financial statements (balance sheet, statement of income, proposal for the disposal of profit, statement of administrative service operation cost, statement of changes in net assets, statement of cash flows and the accompanying supplementary schedules) and the report on the settlement of accounts for business year 2019 (from April 1, 2019 to March 31, 2020) of the Japan International Cooperation Agency (hereinafter referred to as the “Corporation”) and summarized the method and results of the audit. We hereby report as follows:

I Method and Content of Audit

Each Auditor, based on the provisions for inspection and auditing, etc., communicated with the President, Executive Senior Vice President, Senior Vice Presidents, Office of Audit, the department in charge of the performance evaluation, and other departments (hereinafter referred to as “Executive Officers and Staff, etc.”) in order to collect information and develop the environment of audit. At the same time, we attended the Board meetings and other important meetings, received reports from Executive Officers and Staff, etc. regarding the performance of their duties, requested explanations as needed, and inspected the business operations, property status and the documents to be submitted to competent minister at the principal office and secondary offices. Also, with regard to the system to ensure that the execution of duties by board members (excluding Auditors. Hereinafter referred to as “Executive Officers”) complies with the Act on General Rules, the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency (hereinafter referred to as the “JICA Act”), and other laws and regulations, and other systems to ensure proper business operations by the Corporation (including the financial reporting process. Hereinafter referred to as the “Internal Control System”), we received reports periodically from Executive Officers and Staff, etc. regarding the status of development and operation of such systems and requested explanations as needed.

Moreover, when inspecting the financial statements and the report on the settlement of accounts (hereinafter referred to as “Financial Statements, etc.”) as well as the business reports (limited to the part concerning the accounts) of the said business year, we monitored and verified whether the Independent Auditor maintained their independence and audited appropriately, and received reports from the Independent Auditor regarding the performance of their duties and requested explanations as needed. Also, we received from the Independent Auditor the notification on the matters similar to the “Matters Related to the Performance of Duties of Independent Auditor” set forth in Article 131 of the Rules of Corporate Accounting, and requested explanations as needed.

Based on the above methods, we audited the business operations, the business reports and Financial Statements, etc. for the said business year of the Corporation.

II Audit Results

- 1 We certify that the business operations of the Corporation have been properly conducted in compliance with laws and regulations, and in general, have been effectively and efficiently conducted in order to achieve the 4th Medium-term Objectives.
- 2 We certify that the Internal Control System of the Corporation is, in general, appropriately developed and operated. There are no particular matters to be pointed out in relation to the execution of duties by Executive Officers regarding the Internal Control System.
The business operations of the Corporation, including the provision of financing through the operations of Finance and Investment Cooperation, tend to be more complicated and diversified, and the worldwide spread of the COVID-19 pandemic that occurred near the end of the said business year have had serious impacts not only on the business operations of the Corporation but also the economy and society of developing regions. With regard to the development and operation of the Internal Control System and the execution of duties by relevant Executive Officers, appropriate and prompt improvement and response are desired together with understanding the current status and tasks in a timely manner.
- 3 We find no corruption or fraud or material fact in violation of laws and regulations with regard to the performance of duties by Executive Officers.
- 4 We certify that the method and results of the audit by the Independent Auditor Ernst & Young ShinNihon LLC regarding Financial Statements, etc. (excluding matters related to the operations of Finance and Investment Cooperation based on the provisions of paragraph 5 Article 28, and paragraph 6 Article 30 of the JICA Act) and business reports (limited to the part concerning the accounts) are appropriate.
- 5 We certify that the business reports correctly show the conditions of the Corporation in compliance with laws and regulations.

III Opinions on audit-related matters set forth in the past cabinet decisions including the basic policy for reviewing administrative affairs/projects of the incorporated administrative agency

We certify that appropriate measures are taken regarding the salary levels, the status of bidding and contracts including appropriate management of noncompetitive negotiated contracts, the remuneration paid to the head of the Corporation, and the review of the property held by the Corporation.

June 24, 2020

Japan International Cooperation Agency

Auditor

Audit Report (Finance and Investment Account)

Based on the provisions set forth in paragraph 1 Article 28, and paragraph 1 Article 30 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency, we have audited the financial statements (inventory of property, balance sheet, statement of income) and the report on the settlement of accounts for business year 2019 (from April 1, 2019 to March 31, 2020) regarding the Finance and Investment Account of the Japan International Cooperation Agency (hereinafter referred to as the “Corporation”) and the statement of income for the second half of the said year (from October 1, 2019 to March 31, 2020) and summarized the method and results of the audit. We hereby report as follows:

I Method and Content of Audit

When inspecting the financial statements and the report on the settlement of accounts for the said business year as well as the statement of income for the second half of the said year (hereinafter referred to as the “Financial Statements, etc. for the said business year”), we monitored and verified whether the Independent Auditor maintained their independence and audited appropriately, and received reports from the accounting auditors regarding the performance of their duties and requested explanations as needed. Also, we received from the Independent Auditor the notification on the matters similar to the “Matters Related to the Performance of Duties of Independent Auditor” set forth in Article 131 of the Rules of Corporate Accounting, and requested explanations as needed.

Based on the above methods, we audited the Financial Statements, etc. for the said business year regarding the Finance and Investment Account of the Corporation.

II Audit Results

We certify that the method and results of the audit by the Independent Auditor Ernst & Young ShinNihon LLC related to the Financial Statements, etc. for the said business year are appropriate.

June 24, 2020

Japan International Cooperation Agency

Auditor