

Introduction

First of all, let me introduce our new organization. Japan Bank for International Cooperation (JBIC) was created on October 1, 1999 as an organization that carries out Japan's economic policy and economic cooperation. JBIC is set to pursue an integral role of the two organizations: The Overseas Economic Cooperation Fund and The Export-Import Bank of Japan.

As one of its major function, JBIC is responsible for undertaking Japan's bilateral governmental loans (ODA Loans) among Japan's Official Development Assistance (ODA), and supporting a wide range of development projects and other endeavors in developing countries. In the course of its operations, JBIC has committed loans to meet diversified needs of developing countries, while emphasizing follow-up of the development projects it finances, in the form of post-monitoring and post-evaluation. The main purpose of the post-evaluation activities is utilization of experiences and lessons learned from past projects in future projects. They have become an indispensable element for the efficient and effective implementation of ODA loans, and their importance is still growing.

JBIC's post-evaluation goes beyond simply investigating the effects generated by each individual project. It also uses the body of evaluation results and accumulated experience on diverse projects to enable high-quality development aid that yields sustainable effects. Post-evaluation results are used as feedback both inside and outside JBIC, and efforts are made to ensure that evaluation results are efficiently utilized. In particular, we endeavor to share the findings with the partners of ODA loans (governments and project executing agencies in developing countries) because enhancing their executive ability is essential to the effective and efficient implementation of loan projects.

The "1999 Post-Evaluation Report for ODA Loan Projects" carries texts of all the reports for post-evaluations conducted in fiscal 1998. Worthy of mention about the post-evaluations conducted in 1998 is the increased number of evaluations, particularly the greater use of third-party evaluations (increased number as well as diversification in commissioned third-party).

On the occasion of the publication of this Report, I would like to extend my thanks to all the people who have given their constant support to our post-evaluation activities. I would like to ask for your wisdom and opinions so that we can improve the quality of our post-evaluation.

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Post-Evaluation by JBIC¹

1. Purpose of Post-Evaluation

Japan's economic assistance takes many forms. Japan Bank for International Cooperation (JBIC) is a sole development assistance agency which provides loan aid (ODA loans) to developing countries. JBIC has assisted large number of projects in developing countries, primarily for infrastructure improvement, by providing ODA loans. In addition to the provision of loans, JBIC aims to enhance the quality of aid to developing countries by conducting its own post-evaluation of projects which have been completed using ODA loans. Post evaluation compares the implementation, operations and maintenance of projects against the initial plans to discover how the project was executed, whether it has yielded the anticipated benefits, and other aspects to test the project retrospectively. The primary objective of this inspection work is to gain an understanding both of the factors behind the successes of each project in implementation, operations and maintenance and effects, and of the problems faced. From this understanding, we can draw lessons which will feed back to assist us in the formation, appraisal, implementation and post-monitoring of new projects. These lessons will enhance the effects of our aid to developing countries in the future.

In some cases, the results of post-evaluation may show that a project requires efforts to improve its operation after completion. In such cases, JBIC goes on to provide the borrowing country with suitable advice on steps which should be taken to improve the situation.

2. Post-Evaluation Work of JBIC

JBIC began conducting post-evaluations in 1975 as an activity of OECF. After entering into the 1980s, a special section was established in 1981 to deal with the post-evaluation work in line with the increasing number of projects completed with ODA loans. Through reorganizations conducted in the past, the post-evaluation works are currently implemented by Post-Evaluation Division, Development Assistance Operations Evaluation Office, Project Development Department. Continuing efforts over the years to build up experience in post-evaluation and establish evaluation methods have produced over 400 post-evaluation reports as of the end of fiscal 1998.

JBIC also tries to publish the result of its post-evaluation to raise public understanding, and the report which summarizes the findings are published annually. At the same time, the results of major evaluations are disclosed through the medium of JBIC Annual Report.

This year, this summary version of the report is published for the sake of users' convenience.

Also, the advance of communication technology realized, the full texts of the report are available on JBIC website (URL: www.jbic.go.jp).

3. Post-Evaluation in the Context of Project Cycle

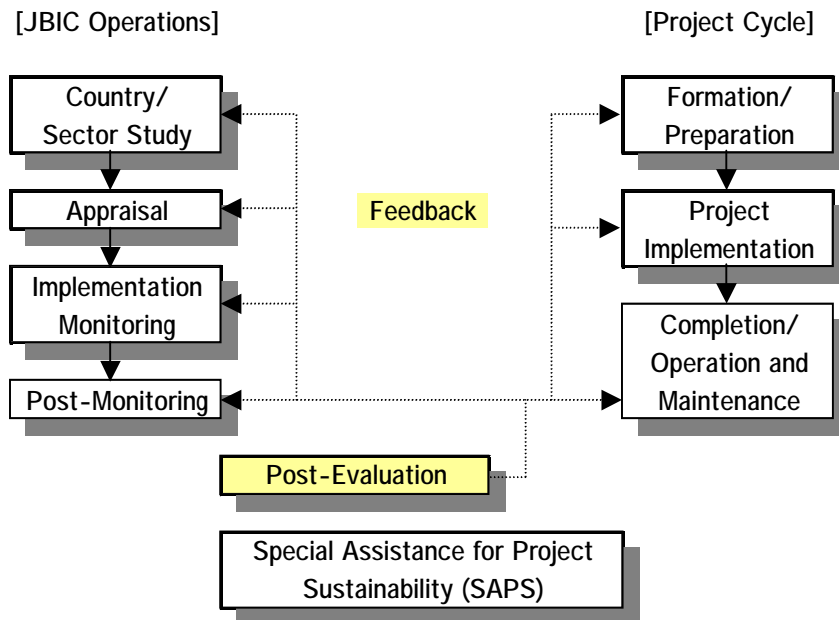
3.1 Flow of Development Projects and Post-Evaluation

The flow of ODA loan projects from JBIC is shown in the chart below. The process leading to provision of an ODA loan starts with a detailed appraisal to determine whether or not the proposed project is a suitable subject for an ODA loan. The appraisal is multi-faceted in approach, covering the project's necessity,

¹ In this report, OECF's evaluation activities are also treated as JBIC's activities.

suitability, urgency, its implementation, operations and maintenance and effects. Project implementation begins if JBIC decides, as a result of the appraisal, to provide the loan. During the implementation, JBIC monitors progress of the project. The project is completed after a certain period of time, and post-evaluations will be performed for completed projects.

Project Cycle and Post-Evaluation



3.2 Post-monitoring and post-evaluation

Some projects require longer periods of time before their effects are manifested, accordingly ongoing follow-up at regular intervals is important to observe the effects and whether or not they are sustainable. Where post-evaluation and investigations of projects' operational status reveal points which require improvement, although developing countries' endeavor to improve the situation is encouraged, the possibility of providing additional assistance should be considered.

Above mentioned examination of operations and maintenance conditions, and additional assistance provided should the need arise, is termed "post-monitoring". The aim of post-monitoring is to grasp the status of operation and maintenance of projects after their completion, and to maintain or enhance their benefits by considering suitable countermeasures when a necessary improvement is observed. JBIC performs Completed Project Follow-up Service and Special Assistance for Project Sustainability as post-monitoring work. The latter type of work is usually implemented in the light of the findings of post-evaluation.

(1) Completed Project Follow-up Survey

Completed Project follow-up Survey mainly concentrates on the operations and maintenance status of completed projects. As a rule, in order to carry out continuous monitoring, surveys are implemented three years and seven years after project completion. JBIC started this survey in 1989 and expanded to include field surveys in 1990 as an ongoing effort to improve the accuracy of knowledge on the operations and maintenance status of the projects.

(2) Special Assistance for Project Sustainability (SAPS)

Where the results of post-evaluation have clearly shown the existence of a problem which impairs the function of a project or prevents its improvement, Special Assistance for Project Sustainability begins with a detailed field survey, followed by proposals of specific solutions or improvements. The operations and maintenance of completed projects is the responsibility of the developing country concerned, but if the results of post-evaluation of a specific project indicate the necessity of some improvement measures and the developing country requests assistance with execution of such measures, they will be implemented following consideration of the necessity and urgency of the improvements.

4. Types of Post-Evaluation

The post-evaluation conducted by JBIC can be classified as follows, according to the content and form of evaluation.

(1) Detailed Evaluation

An evaluation mission is dispatched to the project area to conduct the survey. The composition of the mission includes JBIC staff with additional outside experts who are knowledgeable in the specialist fields concerned. The participation of outside experts makes the evaluation more objective and highly specialized. A variation of the Detailed Evaluation is the "Impact Survey", which comprehensively evaluates the total impact of a number of projects in a certain region or sector. Other variation is the "Joint Evaluation", a field survey conducted together with other aid agencies.

(2) Desk Evaluation

Ideally, missions would be dispatched to the field to evaluate every project which requires post-evaluation, but the large number of projects makes this practically impossible. Therefore the evaluation of some projects is conducted in Japan, which is termed "Desk Evaluation". Desk Evaluation is conducted within Japan, accordingly the volume of information obtained is rather limited compared to that for a Detailed Evaluation. However, JBIC makes the maximum use of the documentary information obtained from the executing agency and other sources of information, in order to enhance the quality of evaluation. Even in this evaluation, JBIC recently tries to conduct field surveys if possible.

(3) Evaluation by representative offices

The local representative offices of JBIC gathers information and conduct field surveys for the evaluation. The participation of local specialists and research organizations may be requested as needed.

(4) Third-party Evaluation

Third-party Evaluations consist in independent evaluations performed by experts (organizations) outside JBIC based through field surveys. The aim of obtaining Third-party Evaluations is to achieve a diversity of viewpoints in evaluations by making use of the knowledge and specialties of outside experts.

II. Features of This Report

1. Enhancement of Third-party Evaluation

With an evaluator who has expert knowledge and opinion conducting an evaluation study, a third-party evaluation is expected to show deeper analysis particularly on the project effects and impacts. Also, by having projects evaluated by non-JBIC consignee, the object of the evaluation is even enhanced. Therefore, JBIC endeavor to promote third-party evaluation, and requesting evaluations to researchers at universities and other institutions, journalists, administrators, specialist engineers, NGOs and others.

Six third-party evaluations were carried out in FY 1998, as introduced briefly below.

- For the evaluation of “Calaca II Coal-fired Thermal Power Plant Project” in the Republic of the Philippines, a Japanese specialist on air pollution and a Philippines-native expert on social development conducted separate evaluations in each of their own field.
- For the “Qingdao Development Project (Water Supply and Sewerage)” in the People’s Republic of China, an evaluation from the point of view of a Japan’s local government was requested.
- For the “Metro Manila Depressed Area Electrification Project” in the Republic of the Philippines, an evaluation focusing on the social development effects of the project was requested.
- For the “Metropolitan Water Supply Project (Simly)” in the Islamic Republic of Pakistan, an accounting firm was asked to carry out the evaluation.
- For the “Ports Rehabilitation Project” in the Republic of Ghana, the evaluation was committed to the Agence Française de Développement (AFD), the bilateral aid agency of France. Mutual evaluation between JBIC and AFD was employed for this project (see 2. below).
- For the “Evaluation on Anti-Pollution Policies in Map Ta Phut Industrial Complex” in the Kingdom of Thailand, an environmental engineer of a Japan’s local government was asked to carry out the evaluation.

2. Mutual Evaluation with Agence Française de Développement (AFD)

Exchange of post-evaluation with other aid agencies is carried out with the aim of improving the quality of post-evaluation for both sides. As the evaluation can be expected to proceed from a different point of view from that of JBIC, it will be pursued more actively than ever. In FY1998 we conducted a mutual post-evaluation with AFD. Under this arrangement, JBIC staff evaluated AFD financed projects and the AFD staff made a highly detailed evaluation of the “Ports Rehabilitation Project” in Ghana, including a field survey. The evaluation findings are handled as third-party evaluation.

3. Enhancement of Feedback

One of the most important objectives of the post-evaluation is to feed back the evaluation findings to the project executing agency, in order to provide valuable suggestions for the operation of the relevant project and for the implementation of future projects. JBIC translates the reports of all post-evaluation studies into English and submits them to the project executing agencies concerned. Local seminars are held in cases where it is highly important to ensure that the evaluation findings are fully informed to and understood by the executing agency, the staff concerned in the recipient government and other interested parties. Among

the post-evaluations represented in this Report, a feedback seminar was held in the Philippines in July 1999 concerning the Calaca II Coal-fired Thermal Power Plant Project.

In some cases, these feedback efforts have led the recipient country to plan new projects in line with the suggestions of the post-evaluation study.

4. Follow-up after Post-Evaluation

As mentioned above, Special Assistance for Project Sustainability (SAPS) may be conducted where necessary, based on the findings of the post-evaluation study, to provide specific suggestions for improvements and solutions. In this fiscal year we carried out a SAPS for “Flood Forecasting and Warning System for Dam Operation Project” in the Philippines to make full use of equipment mentioned in the post-evaluation report.

In cooperation with the Japan International Cooperation Agency (JICA), a system of providing grant aid to derive full effects from completed projects has been established. This system has been adopted to provide aid for improvements of the facilities of the “Baniyas Power Station Extension Project” in Syria Arab Republic, which was subject to a post-evaluation study last year.

III. Content of This Report

1. Evaluation reports included in this Report

The texts of all evaluations (Detailed, Third-party, Desk, and Representative Office-conducted Evaluations) reported in the fiscal 1998 are included in this report.

2. Summary of the post-evaluation report of 1998

The number of evaluations reported in fiscal 1998 amounted to 33, and the total number of projects subject to the evaluation was 43 (since one evaluation can cover more than one project).

Distribution of the 43 projects by geography shows that the great majority of projects are located in Asia. In addition to the fact that many of the recipients of JBIC's ODA loans are in Asia, the project selection was influenced by the availability of information on the projects after completion.

Classification by Sector/Region of Projects Evaluated in fiscal 1998 (Number of projects in the parentheses)

| Sector/ Region | Asia | Middle East | Africa | Central & South America | Others | Total |
|-------------------------------------|---------|-------------|--------|-------------------------|--------|---------|
| Electric Power and Gas | 6 (6) | | | 1 (1) | | 7 (7) |
| Transportation | 6 (13) | | 2 (2) | | | 8 (15) |
| Telecommunications | 2 (3) | | 1 (1) | | | 3 (4) |
| Mining and Manufacturing | 2 (4) | | 1 (1) | | | 3 (5) |
| Agriculture, Forestry and Fisheries | | | | | | 0 (0) |
| Irrigation and Flood Control | 4 (4) | | 1 (1) | | | 5 (5) |
| Social services | 6 (6) | 1 (1) | | | | 7 (7) |
| Others | | | | | | 0 (0) |
| Total | 26 (36) | 1 (1) | 5 (5) | 1 (1) | 0 (0) | 33 (43) |

IV. Summaries of Individual Evaluation Reports

[Detailed Evaluation]

(1) The Republic of Korea “Seoul Subway Construction Project II”

| | |
|------------------------------|--------------------------------------|
| Loan Agreement: October 1990 | Loan Amount: 72,000 Million Yen |
| Completion: September 1997 | Disbursed Amount: 59,135 Million Yen |

The City of Seoul, which is a center of the Republic of Korea's politics and economy, has grown into a large city of a population of 10.61 million, one quarter of the national population in 1990. It had also come to suffer from a wide range of urban problems. In particular, its traffic problem required urgent solution. This project sought to improve traffic conditions in the city by building a subway system. The ODA loan covered the entire foreign currency portion of the project.

Since the implementation of the project, the traffic volume of the subway system rose to stand comparison with that of world's any major city and its share exceeded the share for buses in 1997 to become the dominant mode of transport in the city. This project also served as an incentive to technology transfer to the Republic of Korea.

(2) The Republic of the Philippines “Calaca II Coal-fired Thermal Power Plant Project”

| | |
|---|--|
| Loan Agreement: September 1987 and December 1990* | Loan Amount: 45,913 Million Yen** |
| Completion: August 1997 | Disbursed Amount: 43,632 Million Yen** |

*: Additional finance for the original project

** : Loan Amount and Disbursed Amount are for two projects.

This project was designed to add No.2 generator (output 300MW) to the Calaca Coal-fired Thermal Power Plant in order to meet the rising electrical demand centered in the Manila metropolitan area. The ODA loan covered the entire foreign currency portion of the project.

The evaluation for this project asked for third-party evaluation regarding its environmental impact from Mr. Minoru Moriguchi, a consultant at the Japan Meteorological Association (as it was then) and regarding its socio-economic impact from Mr. Mario Paredes Leviste, a professor at the Lipa campus of the De La Salle University, Philippines. These evaluations concluded that the plant posed no environmental problems as it is currently within environmental standards. However, the reports suggested optimization of monitoring points. Regarding consideration for the local residents and society, the various measures taken for the relocated residents were positively evaluated, but the importance of explaining these support measures to the residents in an easily comprehensible form through wider public relations efforts was indicated.

Since completion, this project has been working steadily, contributing to a more stable supply of electricity. By using domestic coal, the power plant has also yielded a saving in the foreign exchange expended for fuel imports.

(3) The Republic of the Philippines “Metropolitan Area and Regional Roads Project”

| | |
|--|--|
| Loan Agreement: From July 1983 to December 1988* | Loan Amount: 39,648 Million Yen** |
| Completion: From December 1991 to April 1997* | Disbursed Amount: 31,582 Million Yen** |

*: For seven Projects

** : Loan Amount and Disbursed Amount are total of seven projects.

This evaluation targeted a total of seven road improvement projects, three in the Metro Manila area and four in rural areas. The three projects in the Metro Manila area were designed to construct and improve roads to

meet increasing traffic demand in the area, to alleviate traffic congestion, to make traffic safer, smoother and more comfortable, and thereby to contribute to the development of the economy. The four rural road projects were aimed to build and improve national roads to improve road transport within the regions concerned, and between them and the capital, and also to enhance agriculture and other industries in those areas. The loan covered the entire foreign currency portion of the project cost (and a part of local currency cost in some areas).

These projects reduced flood damage in the metropolitan area in rainy season and improved convenience and efficiency of road users. In rural areas, the roads improved transport efficiency (reduced traveling hours and improved comfort on long-distance buses etc.) and secured access to public services such as schools and hospitals.

(4) The Kingdom of Thailand “Bhumibol Hydroelectric Project Unit 8”

| | |
|--------------------------------|-------------------------------------|
| Loan Agreement: September 1991 | Loan Amount: 7,854 Million Yen |
| Completion: January 1998 | Disbursed Amount: 5,335 Million Yen |

This project was designed to add pumped-storage type electric generation plant (Unit 8) to the Bhumibol Hydro Power Plant in Thak province of northern Thailand in order to secure an adequate supply of power (particularly at times of peak load) for the nation. The ODA loan covered the entire foreign currency portion of the project cost.

This project has been operating steadily since its completion. In 1997 it generated 434MWh, meeting peak demand and helping to stabilize Thailand's electricity supply.

(5) India “Housing Program for Low and Medium Income Households”

| | |
|------------------------------|-------------------------------------|
| Loan Agreement: January 1991 | Loan Amount: 2,970 Million Yen |
| Completion: March 1991 | Disbursed Amount: 2,970 Million Yen |

This project was designed to provide financial support for India's ongoing program that provides housing finance to low and medium income households, thereby promoting the construction of homes for such households. Through strengthening the newly founded National Housing Bank (NHB), the project had assisted the growth of India's housing finance sector. The loan covered a part of the housing construction fund for low and medium income households, and was delivered to borrowers through local financial institutions.

This project allowed the construction of 20,000 houses through the primary loan alone and strengthened the NHB's ability to provide low-interest, long-term finance, thus promoted the subsequent acquisition of housing by low and medium income households.

(6) Democratic Socialist Republic of Sri Lanka “Port of Colombo Expansion Project (IV), Port of Colombo Extension Project (I) ~ (IV)”

| | |
|---|--|
| Loan Agreement: From October 1987 to August 1993* | Loan Amount: 48,088 Million Yen** |
| Completion: From January 1994 to December 1998* | Disbursed Amount: 44,877 Million Yen** |

*: For five Projects

** : Loan Amount and Disbursed Amount are total of five projects.

This project was designed to construct new berths and install cranes and other cargo handling equipments for the Port of Colombo to increase the container handling capacity of the port. Colombo is located in the center of the Indian Ocean and serves as a hub port for Southeast Asia, South Asia, the Middle East and Persian

Gulf and East Africa, relaying cargo from ports in those areas. The ODA loan covered the entire foreign currency portion of the project cost and a part of the local currency cost portion.

It has been operated well and working constantly beyond its full capacity since completion. The foreign currency earned by the port in container handling fees amount to approximately 8.5% of the country's foreign currency reserve in 1997, making it an important source of foreign exchange for Sri Lanka.

(7) Hashemite Kingdom of Jordan “Human Resources Development Sector Investment Loan”

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: May 1990 | Loan Amount: 10,381 Million Yen |
| Completion: September 1997 | Disbursed Amount: 8,361 Million Yen |

In this project, JBIC and the World Bank co-financed the Educational Facilities Improvement Program, which was comprised of seven programs in the Ten-Year Human Resources Development Sector Investment Project (Phase 1). The ODA loan covered the construction costs for school buildings for elementary, middle and high schools, and the procurement costs for educational materials, equipment and appliances (computers, AV equipment, laboratory equipment, desks, chairs etc.).

Under this project, 181 schools were built, which replaced rented and two-shift school buildings with single-shift-purposed schools. They improved the quality of classrooms and, consequently, raised the level of education in Jordan.

(8) Arab Republic of Egypt “Beni-Suef Cement Factory Project”

| | |
|--|--|
| Loan Agreement: From February 1986 to June 1992* | Loan Amount: 37,470 Million Yen** |
| Completion: From December 1991 to May 1997 | Disbursed Amount: 34,764 Million Yen** |

*: For three Projects

** : Loan Amount and Disbursed Amount are total of three projects.

This project was designed to build a cement factory with a capacity of one million ton production per year to meet the growing demand in Egypt, which became a net importer of cement in 1975. The ODA loan covers the entire foreign currency portion of the project cost.

Since its completion, this factory has been operating constantly at capacity, producing at least one million tons of cement powder annually. Domestic production of this cement instead of importing it saved \$97 million of foreign exchange in 1997, for instance.

(9) Republic of Botswana “Railway Rolling Stock Increase Project”

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: April 1988 | Loan Amount: 2,800 Million Yen |
| Completion: May 1993 | Disbursed Amount: 2,393 Million Yen |

The Republic of Botswana, a landlocked country, depends on railways to transport its ores and agricultural products to neighboring countries. This project was designed to add to the Botswana National Railway's rolling stock in order to expand its transportation capacity. The loan covered the entire foreign currency portion of the project cost.

Since its completion, the rolling stock rent which had amounted to as much as \$3.3 million per year has been on the decrease by the mid 1980s. The reinforcement brought about flexibility in its availability in southern Africa (South Africa, Zimbabwe etc.), thus having succeeded in increasing transportation capacity not only in Botswana but in the whole region.

(10) The Republic of Mauritius “Telecommunication Expansion Project”

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: April 1988 | Loan Amount: 1,674 Million Yen |
| Completion: May 1993 | Disbursed Amount: 1,422 Million Yen |

This project was designed to meet the pressing demand on telecommunication resources, with the additional aim of improving the quality of communications on the island. The project involved the installation of the country’s first digital communications equipments such as digital switchboards (30,000 lines), fiber optic systems (4 sections), and digital micro systems (13 sections) and the construction of subscriber cable system. The ODA loan covered the entire foreign currency portion required for procurement and installation of the switchboard and transmission facilities and training in the operation of the equipment.

Other than the delay in the construction of the switch building (which was handled by the Mauritian side), the project was implemented mostly as planned. After completion, the manufacturer who delivered the equipment has provided full training, which also led to good operation and maintenance of the installed equipments.

This project has substantially increased telephone switchboard capacity, the number of users and the telephone diffusion rate in Mauritius, thus securing adequate volume of communication traffic. Digitalization has improved the quality of communications by enabling compatibility with data communications, reducing sound quality deterioration and increasing speed and volume.

(11) Federative Republic of Brazil “State of Goias Rural Electrification Project”

| | |
|--------------------------------|--------------------------------------|
| Loan Agreement: September 1991 | Loan Amount: 12,832 Million Yen |
| Completion: December 1997 | Disbursed Amount: 12,489 Million Yen |

This project was designed to build electricity transmission and distribution network in seven regions in the southern part (approximately 200,000km²) of the State of Goias, an eastern state of the Republic in order to raise the electrification rate and to meet the increasing demand for electricity from the agricultural sector (for irrigation pumps) in rural areas. The ODA loan covered 60% of the project cost, the majority of the foreign currency portion and part of the local currency portion.

This project has enabled a steady increase in the volume of electricity sales within the state and the volume sold to rural areas. At the same time, the number of electrified households and the rural electrification rate in the area served by the project has grown substantially, from 24,000 households (31.8%) in 1990 before the implementation of the project to 71,000 households (66.8%) in 1997. Improvements have been seen for transmission losses and the frequency and duration of power failure.

[Third-party Evaluation]

(1) People’s Republic of China “Qingdao Development Project (Water Supply and Sewerage)”

Evaluator: Mr. Akira Yamagata of the Tokyo Institute for Municipal Research

| | |
|-----------------------------|-------------------------------------|
| Loan Agreement: August 1993 | Loan Amount: 2,513 Million Yen |
| Completion: September 1998 | Disbursed Amount: 2,512 Million Yen |

This project was designed to improve water supply and sewerage in the city of Qingdao, China, in order to meet the increasing water demand and prevent marine pollution. The ODA loan covered the entire foreign currency portion of the project cost.

The project has brought an adequate supply of good-quality water to Qingdao city. The processing of

sewage has also been improved, which has brought about benefits to the environment.

(2) The Republic of the Philippines “Metro Manila Depressed Area Electrification Project”

Evaluator: Prof. Yasushi Kikuchi of the Institute of Asia-Pacific Studies, Waseda University

| | |
|---------------------------|-------------------------------------|
| Loan Agreement: June 1990 | Loan Amount: 5,066 Million Yen |
| Completion: October 1999* | Disbursed Amount: 4,812 Million Yen |

*: Expected schedule at the time of evaluation

This project was designed to deliver a safe, cheap and reliable supply of electricity to approximately 234,000 households in 229 priority development districts in the depressed areas of the Manila metropolitan area in order to improve the welfare of the recipients. The ODA loan covered the entire foreign currency portion and a part of local currency portion.

This third-party evaluation was conducted from a social anthropological viewpoint, which had not been used in previous post-evaluation studies. The main finding was that the initially-anticipated effect was achieved, namely the supply of safe and highly reliable electrical supply to the urban poor who have flooded into Manila from other regions (squatters). In addition, the report clarified the fact that the project was strongly linked with the formation of new communities.

(3) The Republic of the Philippines “Calaca II Coal-fired Thermal Power Plant Project”

Refer to [Detailed Evaluation] (3).

(4) Kingdom of Thailand “Map Ta Phut Industrial/Urban Complex Project”

Evaluator: Mr. Yasuhiko Miyoshi of the Tokyo Metropolitan Research Institute for Environmental Protection

| | |
|------------------------------|-------------------------------------|
| Loan Agreement: October 1985 | Loan Amount: 3,207 Million Yen |
| Completion: October 1991 | Disbursed Amount: 1,415 Million Yen |

This project was designed to construct an industrial complex as part of the Eastern Seaboard Development Plan. The complex targeted large-scale heavy chemical industries which utilize the natural gas produced in Gulf of Siam. The ODA loan covered the entire foreign currency portion of the project.

This project led to the establishment of many heavy chemical industry operations in the area and played an important role in the Thai economy. As the nature of chemical complex, environmental countermeasures were the most important issue of this project. Thus, the evaluation on administrative measures for anti-pollution in the Map Ta Phut Industrial Complex has been conducted reflecting the experience of Japanese local authorities.

The evaluation found that the use of natural gas for fuel and raw material did not produce the kind of air pollution Japan has experienced in the past, but improvement was needed for problems of odor and water contamination. The efforts of the parties concerned were yielding progress in alleviating the odor problem and it is likely to be solved soon. It will be possible to prevent further worsening of water contamination through the adoption of suitable preventive measures.

(5) Islamic Republic of Pakistan “Metropolitan Water Supply Project (Simly)”

Evaluator: Mr. Yoji Ohashi of the Chuo Audit Corporation

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: March 1989 | Loan Amount: 5,750 Million Yen |
| Completion: August 1997 | Disbursed Amount: 4,195 Million Yen |

This project was designed to expand the capacity of water treatment plant and build new water pipelines to feed

the existing reservoir in the city with an aim of raising water supply coverage rate in Islamabad to cope with the city's growing population. The ODA loan covered the entire foreign currency portion of the project cost and part of the local currency cost.

Water supply in this project began in 1996 and is now operating at its almost full capacity. However, there is yet a room for improvement in profitability and maintenance. The executing agency's accounting system leaves much room for improvement as well.

(6) Republic of Ghana “Ports Rehabilitation Project”

Evaluator: Mr. Coquart of the Agence Française de Développement (AFD).

| | |
|------------------------------|-------------------------------------|
| Loan Agreement: October 1985 | Loan Amount: 5,921 Million Yen |
| Completion: October 1990 | Disbursed Amount: 5,921 Million Yen |

This project was designed with cooperation of the World Bank to rehabilitate the ports of Tema and Takoradi in order to support the Ghanaian government's economic recovery plan, which focused on rebuilding exports. It also aimed to cut export costs by increasing the efficiency of shipping cocoa, lumber and other produce. The ODA loan covered 49% of the total project cost (equivalent to \$24.1 million), with the remainder provided by the World Bank (\$21.9 million, 44%) and the Ghanaian government (\$3.5 million, 7%).

This project has succeeded and enabled the export-led economic recovery which Ghana has been pursuing since 1986. As to the ships and new cargo handling equipment for the ports of Tema and Takoradi procured under JBIC project, immediately after the restructuring of port maintenance and integration into a single management organization, it has enabled the Ghana Ports and Harbours Authority to streamline the use of the ports and improve their performance.

[Desk Evaluation and Evaluation by Representative Offices]

(1) Republic of Korea “Safety Research Center Project of the National Institute of Health”

| | |
|-----------------------------|-------------------------------------|
| Loan Agreement: August 1984 | Loan Amount: 2,400 Million Yen |
| Completion: August 1992 | Disbursed Amount: 2,226 Million Yen |

This project was designed to build a new Safety Research Center attached to the Korean National Institute of Health in order to establish a thorough inspection system for the safety of pharmaceutical products in the Republic of Korea.

The ODA loan covered the entire foreign currency portion of the project cost. Twenty eight items of appliances and 391 items of experimental equipments were procured to the Safety Research Center. They have been used and maintained well. The implementation of this project has enabled safety inspection observing the "Standard for Experimental Safety Testing of Pharmaceutical Products", contributing to the improvement of the pharmaceutical safety research system in the Republic of Korea.

(2) Republic of Korea “City Water Project (Seoul)”

| | |
|-----------------------------|-----------------------------------|
| Loan Agreement: August 1984 | Loan Amount: 2,900 Million Yen |
| Completion: August 1989 | Disbursed Amount: 266 Million Yen |

This project was designed to install modern equipment and facilities at the Parudan and Gui water source, the two largest water sources (water treatment plants) serving the city of Seoul, in order to stabilize the supply of water to the city. It also aimed to automate and optimize the analysis of water quality and the addition of chemicals. The ODA loan covered nearly the entire foreign currency portion of the project cost.

The rapid appreciation of the Yen during the implementation stage of this project has led to concerns in the Korean government over the future increase in the burden of repayment. Therefore the modernization of the Gui water source, a major part of the project, was postponed and procurement for the Parudan water source was scaled down. These were the major alterations to the project scope.

The Parudan water source, where the project was actually carried out, went into operation immediately after the construction works were completed and it has been running well since then. The modernization work on the Gui water source, which was postponed under this project, was later carried out with government funding, together with other major water sources development.

(3) People’s Republic of China “Shenzhen Dapeng Bay Yantian Port 1st Phase Project”

| | |
|--|--|
| Loan Agreement: From January 1990 to October 1992* | Loan Amount: 14,681 Million Yen** |
| Completion: From February 1996 to November 1997* | Disbursed Amount: 13,093 Million Yen** |

*: For three Projects

** : Loan Amount and Disbursed Amount are total of three projects.

This project was designed to construct and improve a harbor with the scale of the cargo handling capacity of 2.8 million tons per annum in the Shenzhen Dapeng Bay Yantian region of Guangzhou Province (six-berth pier with two container berths, one multi-purpose berth and three miscellaneous cargo berths), plus berthing facilities/equipment, a railroad outside the harbor (24km) and roads outside the harbor (72km), in order to meet the increasing demand of shipping cargo handling volume with particular reference to containers in southern China.

Since its completion, the volume of containers handled has kept on rising, reaching 1.04 million TEU¹ in 1998, more than as planned.

- 1 TEU is an abbreviation for Twenty-feet Equivalent Unit, indicating the equivalent number of 20' containers.

(4) Republic of Indonesia “Ujung Pandang Water Supply Rehabilitation Project”

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: July 1988 | Loan Amount: 1,364 Million Yen |
| Completion: September 1993 | Disbursed Amount: 1,151 Million Yen |

This project was aimed to improve the situation of water supply in Ujung Pandang, the capital city of Sulawesi Province in the Republic of Indonesia. It was designed to increase the volume of water supply and to improve the charged ratio by rehabilitating the existing facilities (two water treatment plants in the city) and by reinforcing them (laying pipelines for transmission channel, substituting old water pipelines, etc.).

The number of beneficiaries of water supply has increased and the service area has expanded through the implementation of this project. Also, an improvement in water quality has brought about benefits, such as the prevention of water-related epidemics.

(5) Republic of Indonesia “Equipment Supply for Maritime Telecommunication System (II)

| | |
|-------------------------------|-------------------------------------|
| Loan Agreement: February 1985 | Loan Amount: 3,600 Million Yen |
| Completion: February 1991 | Disbursed Amount: 3,596 Million Yen |

This project was designed to expand Indonesia's marine wireless communications network in line with the JICA’s Master Plan on "Marine Wireless Communications Network Expansion Plan", which was completed in 1982. It aimed to make marine transport safer and more efficient. This project is Phase 2 of the plan, which reinforces the radio stations along the coast. The ODA loan covered the entire foreign currency

portion of the project cost.

It is difficult to grasp the quantitative effects of this project, but while the volume of Indonesia's marine traffic has increased (greater volume of freight transactions), the accident rate has fallen. This suggests that the project has yielded a certain level of effect in enhancing marine safety in Indonesia.

(6) Republic of Indonesia “The Gas Firing Modification Works of Gresik Steam Power Plant Units III and IV Project”

| | |
|-------------------------------|-------------------------------------|
| Loan Agreement: December 1989 | Loan Amount: 4,445 Million Yen |
| Completion: December 1994 | Disbursed Amount: 4,314 Million Yen |

This project was based on the “Reduction in Oil-Reliance Through the Diversification of Energy Sources”, the national policy of Indonesia since the 1970s. It is designed to remodel the Unit III and IV heavy-oil boilers (both with a 200MW capacity) into heavy-oil-and-gas boilers operating in the Gresik Steam Power Plant located 20km northwest of the city of Surabaya in the eastern part of Java Province.

The plant has been generating electricity without any problem. By converting the fuel partially to gas, the SOx and NOx emissions have been substantially reduced, thus positive effects in the environmental aspect have been recognized.

(7) Republic of Indonesia “Bali International Airport Construction Project (I)”

| | |
|------------------------------|--------------------------------------|
| Loan Agreement: January 1987 | Loan Amount: 18,999 Million Yen |
| Completion: January 1994 | Disbursed Amount: 17,057 Million Yen |

The expansion project was commenced at Bali International Airport in Indonesia in the latter half of 1980s in order to meet the increasing demand for passenger and freight transport. This project corresponds to Phase 1 of the three divided phases of the expansion project, and consists of civil works (runways, aprons, taxiways), construction works (passenger terminals), the construction of new air safety facilities and the renewal of existing ones, the construction of new fuel supply facilities, and consulting services. The ODA loan covered the entire amount of foreign currency and a part of local currency amounts of the project cost.

This project enabled the airport to deal with more-than-expected increase in the number of passengers, freight volume and number of departures and arrivals. The earning of the airport has improved because of the actual handling of more passengers and freight volume than estimated. The enhancement of the safety of the airport can be cited as one of the effects for this project as well.

(8) Republic of Indonesia “Equipment Supply for Enhancement of Radio and Television Network (I) (II)”

| | |
|--|--|
| Loan Agreement: December 1985 and December 1987* | Loan Amount: 15,110 Million Yen** |
| Completion: December 1990 and December 1992* | Disbursed Amount: 14,789 Million Yen** |

*: For Phase one and Phase two

** : Loan Amount and Disbursed Amount are total of two phases.

This project was to respond to the Fourth Five-year Development Plan for Broadcasting Sector (fiscal 1984 to 1988) that is a part of the first period of the New Fifteen-Year Long-Term Development Plan for Broadcasting Sector in Indonesia initially drawn up in fiscal 1984. It aimed to expand the areas and a range of population to receive radio and television broadcasts and to improve the quality of the broadcasts through establishment of a program production facility and broadcasting facility for both radio and television (medium-wave and FM radio, color television, etc.). The ODA loan covered the entire foreign currency

portion and a part of the local currency portion of the project cost.

The project was divided into two phases. Phase I covered the establishment of the program production facility, while Phase II was mostly involved in constructing and improving the broadcasting facility.

This project achieved the transfer of both "hardware" and "software" technologies, improving Indonesia's ability to produce programs at local stations as well. In particular, the population able to receive television signals has been greatly increased, thus speeding up and expanding communication.

(9) Republic of Indonesia “Way Umpu and Way Pengubuan Irrigation Rehabilitation Project”

| | |
|------------------------------|-------------------------------------|
| Loan Agreement: January 1987 | Loan Amount: 1,392 Million Yen |
| Completion: January 1992 | Disbursed Amount: 1,226 Million Yen |

This project was designed to rehabilitate irrigation facilities in the Way Umpu and Way Pengubuan region in Indonesia with an aim of expanding agricultural production in Lampung Province, Sumatra Island, Indonesia. The irrigation facilities targeted for rehabilitation are the buildings constructed under the Way Umpu and Way Pengubuan Irrigation Project implemented with the ODA loans. The results of a post-evaluation conducted by JBIC (1986) after the original projects completed recognized that the facilities were succumbing to severe damage and that rehabilitation was needed urgently, which led to the rehabilitation project. The ODA loan covered entire foreign currency portion and a part of the local currency portion of the project cost.

After the implementation of this project, rice unit yields rose from 3.0t/ha to approximately 3.5t/ha in the Way Umpu area, and from 3.2t/ha to approximately 5.0t/ha in the Way Pengubuan area. A total area of 9.083ha of rice paddies has been developed in the project area.

(10) Malaysia “Engkilili Sibu Transmission Line Construction Project”

| | |
|------------------------------|--------------------------------------|
| Loan Agreement: October 1990 | Loan Amount: 72,000 Million Yen |
| Completion: September 1997 | Disbursed Amount: 59,135 Million Yen |

This project was designed to make more effective use of the electrical power generators in the Batang Ai Hydro Power Plant in Sarawak Province, Malaysia. It is aimed to respond to the increasing demand for electrical power in the Sibu region of Sarawak and improve the electrical power supply system in the Sarikei, Sri Aman and other regions of western Sarawak.

The ODA loan covers the entire foreign currency portion incurred for the electricity transmission lines (275KV, 132KV) and part of the machinery for the substations

This project has enabled the supply of electricity from five major power stations to the city of Sibul, Sarawak's second largest city through incorporation into a 275kV/132kV grid. The level of reliability of the power supply has been increased.

(11) Malaysia “Small and Medium Scale Industry Promotion Program (SMIPP): Bank Pembangunan Malaysia Berhad (BPMB), Bank Industry Malaysia Berhad (BIMB), Malaysian Industrial Development Finance Berhad”

| | |
|---|---|
| Loan Agreement: May 1992* | Loan Amount: 4,660 Million Yen each* |
| Completion: From March 1995 to August 1997* | Disbursed Amount: 4,660 Million Yen each* |

*: For all three Projects

This project was aimed to develop and foster small and medium-sized companies in Malaysia, the country's

driving force for economical activities, especially those in private economic sectors such as manufacturing and tourism. It was a so-called Two-Step Loan plan with low-interest/long-term loans, to which it had been difficult for small and medium-sized companies to gain access. This loan was provided via government-run financial institutions (the institutions involved include three banks: Bank Pembangunan Malaysia Berhad, Bank Industry Malaysia Berhad, Malaysian Industrial Development Finance Berhad).

The ODA loan covered the entire foreign currency portion required by small and medium-sized companies as end users for purchasing and replacing facilities and environmental conservation equipments.

This project accounted for approximately ten percent of Malaysia's financing for small and medium-sized companies. This project has made a contribution to the improvement of technology and productivity in the small and medium-sized companies.

(12) Malaysia “Patau-Patau Power Station Extension Project”

| | |
|--------------------------------|-------------------------------------|
| Loan Agreement: Seotember 1993 | Loan Amount: 3,700 Million Yen |
| Completion: August 1996 | Disbursed Amount: 1,761 Million Yen |

This project was designed to establish another unit of 32MW gas turbine generator facility in the Patau-Patau Power Station on Labuan Island, Sabah Province. It is aimed at providing a stable supply of electricity in order to cope with the increased demand especially during peak hours on the electrical system serving the western coast of Sabah Province quickly and economically.

The ODA loan covered the entire foreign currency portion required for the project.

This project contributed to diversifying energy source by using domestically produced natural gas and stabilizing the electric power supply on the State of Sabah's western coast power system.

(13) The Republic of the Philippines “Ilocos Norte Irrigation Project (Stage I)”

| | |
|---------------------------|-------------------------------------|
| Loan Agreement: June 1981 | Loan Amount: 5,000 Million Yen |
| Completion: December 1993 | Disbursed Amount: 4,801 Million Yen |

This project was designed to construct irrigation facilities including diversion dams in 5 locations, irrigation canals, drainage canals and related roads with an aim of improving agricultural productivity in Ilocos Norte Province in the northern Philippines (Honga River Right Bank, 10,200 ha). The ODA loan covered the foreign currency portion of the project cost.

This project was planned taking into account the needs of the “Zanjeras”, the traditional irrigation unions in building the canals and terminal field facilities.

The implementation of this project considerably increased the production of rice and other crops and the average income of farmers was multiplied several times over. The participation of the Zanjeras made this a good example of a participatory development project.

(14) The Republic of the Philippines “Irrigation Operations Support Project”

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: May 1989 | Loan Amount: 2,500 Million Yen |
| Completion: September 1992 | Disbursed Amount: 2,500 Million Yen |

This project had two objectives: to rehabilitate the state-owned irrigation facilities in 127 locations, raising their operation rates; and to improve the quality and efficiency of maintenance of the facilities. This was a co-financed project with the World Bank, with ODA loan being allocated to the rehabilitation of existing irrigation facilities. Other components of the project were covered by the World Bank finance.

The increase in rice production in the area covered by the project amounted to 580,000t, far in excess of the

increase forecasted at the time of the appraisal. As a result, farmers' incomes grew by a larger margin than anticipated. These effects were due to the repair of terminal irrigation channels.

The proportion of the irrigable areas actually receiving irrigation was 69% in rainy season and 47% in dry season before the implementation of the project. They have been increased to 72% and 63% respectively afterwards.

(15) The Republic of the Philippines “Flood Forecasting and Warning System for Dam Operation Project II“

| | |
|---------------------------|-------------------------------------|
| Loan Agreement: May 1986 | Loan Amount: 3,988 Million Yen |
| Completion: November 1994 | Disbursed Amount: 3,980 Million Yen |

Flood Forecasting and Warning System for Dam Operation Project aimed to contribute to mitigate flood damage on lives and assets of people who suffer serious flood damage from typhoons, etc. every year, and to stabilize their lives and increase their welfare. Under this project, the flood forecasting and warning systems were to be constructed at 5 major dams (Angat, Pantabangan, Binga, Ambuklao and Magat) on Luzon Island, which is the most populated and industrialized island of the Philippines. The ODA loan covered the entire foreign currency portion of the project cost.

Judging from the record of dam flood forecasting issued since the completion of the project, the record of flood damage and interviews with residents, it can be said that the project has contributed to a reduction of flood damage and greater stability in the residents' lives. This project also established cooperative relationships between the agencies involved. Technology transfer among them has been attained in the operation of the system.

(16) The Kingdom of Thailand “Engineering Services for New Rama VI Bridge Construction Project”

| | |
|--------------------------------|-------------------------------------|
| Loan Agreement: September 1987 | Loan Amount: 5,599 Million Yen |
| Completion: September 1993 | Disbursed Amount: 3,811 Million Yen |

This project was designed to replace the superannuated Rama VI Bridge, spanning the Chao Phraya River in the city of Bangkok, with a new bridge up-river (north) in order to alleviate traffic congestion in the northwest area of Bangkok. The ODA loan covered the entire foreign currency portion of the project cost and a part of local currency portion, and the entire foreign currency portion for consulting services.

Operations and maintenance have been satisfactory since completion of the project. The former Rama VI Bridge with two traffic lanes was replaced with the New Rama VI Bridge with six lanes, while weight limits were vastly alleviated. Consequently, the distribution between the center of Bangkok and Thonburi region in the west bank of the Chao Phraya River has been facilitated and actively encouraged.

(17) Arab Republic of Egypt “El-Salam Canal Pumping Station Project”

| | |
|----------------------------|-------------------------------------|
| Loan Agreement: March 1983 | Loan Amount: 4,600 Million Yen |
| Completion: March 1991 | Disbursed Amount: 4,463 Million Yen |

This project aimed to build pumping stations and related facilities including power transformation facilities to secure the water level in the main irrigation canal (El-Salam Canal) on the 82 km extension linking the Damietta effluent in the eastern side of the Nile delta in Egypt with the Suez Canal. The JBIC loan covered the entire foreign currency portion of this project.

This project was delayed by six years and seven months due to changes in construction contracts and extended construction works to deal with poor ground conditions. Furthermore, the project shouldered the development of agricultural land (83,000ha), which was proceeding in parallel with this project had not been completed yet by the time this project was. Therefore, it is likely to take a while before the effects of this project are manifested. However, water supply to the east bank of the Suez Canal using the El Salam Canal has begun, and the operation rates of the water pumps installed under this project are expected to increase gradually.

Glossary

Basic Terminology for Development Aid

1. L/A (Loan Agreement)

A contract made between Japan Bank for International Cooperation (JBIC) and a borrower after the Exchange of Notes (E/N) is concluded between governments of Japan and the borrowing country. The L/A defines the details of the procedures necessary for loan implementation, the rights and responsibilities involved and other matters.

2. E/N (Exchange of Notes)

One form of written agreement exchanged between governments, or between a government and an international agency. An E/N concerning an economic assistance puts into writing its content agreed with the government of the borrowing country as an official documented agreement. The procedure of an E/N is that a representative with plenary authority of the Japanese government (usually the ambassador to the borrowing country) sends a note stating the content and conditions to that of the counterpart government. The representative of the counterpart government then returns a note in reply to the effect that they have no objection to the content and conditions stated in the note.

3. General Untied

One type of procurement condition. General Untied refers to the case where no restrictions are placed on where aid goods and services are obtained from. Also known as "no strings" aid. The procurement sources of goods and services using Japan's ODA loan funds used to be limited to less-developed countries (LDCs) and OECD member states, and this condition had been referred to as General Untied. Following the breakdown of the former Soviet Union and the democratization of Eastern Europe, procurement sources for all ODA loans for which the E/N was concluded after April 1992 have been expanded to all regions and countries without any restriction.

4. Partial Untied

One type of procurement condition. Partial Untied refers to the case where procurement sources for goods and services can be in donor country (Japan in the case of its own ODA loans) and any developing country. For projects in which procurement began after February 1997, all transition economies have been added to the list of permitted procurement sources for Partial Untied ODA loans.

5. M/P (Master Plan)

A plan that targets a region or sector and states development plans to be initiated and their priority, with reference to special circumstances of the economic and social development particular to the country. A Master Plan must also be consistent with national and regional development plans of higher level. In general, an individual project is devised according to the master plan and subjected to a feasibility study.

6. F/S (Feasibility Study)

ODA loan by JBIC is preceded by Feasibility Study in which its executing body (or a consultant consigned) examines and evaluates its technical and economic feasibility. The term also replies to the written report of that study. The study is important for the project executor to draw an outline of the project and decide on a policy for financing. For a fund provider, the information is important for deciding whether or not to finance the project concerned. The content of the study consists of market surveys, technical studies, fund planning and evaluation on economic sustainability.

7. E/S Loan (Engineering Service Loan)

An Engineering Service Loan precedes the main project and is used to fund engineering services (review of F/S findings, detailed design, preparation of tender documents, etc.) required for the necessary investigation and design stages of the project. The project F/S should be completed as a precondition for provision of an E/S loan.

8. D/D (Detailed Design)

A procedure that the executing body (or a consultant consigned) prepares necessary designs specifications for the project with a completed F/S, after collecting and preparing related documents and studying construction methods. A Detailed Design requires site investigations, surveying, analysis and other detailed works. A Detailed Design is adopted in preparation of tender documents and serves as the most important guide in implementation of the actual construction works.

9. BOT Scheme (Build, Operate and Transfer Scheme)

One scheme for project implementation in which a contractor builds an infrastructure, a plant or other facilities in a developing country, operates the facility for a certain period to recover the total investment from its revenues, and then transfers its ownership to a governmental agency of the country concerned. Different from a conventional scheme in which a government of a developing country would borrow the fund for construction and carry out the project on its own, the BOT scheme does not involve any direct borrowing, which enables it to reduce its foreign debt. In addition, being the contractor operate the facilities for itself, it is a merit that efficiency and transfer of technology are ensured. However, for the facilities to be finally transferred to the government, the invested funds must be recovered within a certain operation period, which

makes it important to set appropriate operating conditions.

10. TOR: Terms of Reference

In an ODA-loan related work, the terms of reference are abbreviated to TOR. The TOR is a document drawn up by the executing body when it selects and employs a consultant to clearly state the job description being asked of that consultant.

11. OECF Environmental Guidelines for ODA Loans

Guidelines set by JBIC in October 1989, with reference to the recommendations by OECD Executive Committee, to check whether environmental measures in development projects are being conducted effectively and efficiently. (A revised edition was published in August 1995.) The Guidelines include checklists for environmental issues such as pollution, the natural environment, and the social environment in each 17 sector subjected to JBIC's finance and investment. Before the borrower makes a request for loan, the environmental issues on the corresponding checklist are to be examined at the project's planning and preparation stages. At its appraisal stage of a development project, JBIC ascertains the situation concerning each of the checklist items contained in the Guidelines and set policies on countermeasures that should be taken. The Guidelines are also distributed to the executing agencies and other agencies in borrower countries, in order to encourage consideration of environmental issues at project planning stage.

12. PCR (Project Completion Report)

A document which an executing agency of an ODA loan project is requested to submit to JBIC at the time of completion. The aim is to obtain basic information for efficient conducting of post-evaluation after project completion.

13. Cost underrun

When the amount of fund required falls short of the initial estimate.

14. Cost overrun

When the amount of fund required exceeds the initial estimate.

15. M/M: Man-Month

A concept generally used in work contracts, particularly for consultants. It is used as the unit of quantity for calculating the number of specialist staff and the duration required to perform a consulting service. One specialist working for one month constitutes one Man-Month (M/M).

Development Aid Agencies in the World

1. JICA (Japan International Cooperation Agency)

JICA is a special government agency established in August 1974 by the Japan International Cooperation Agency Act aimed to contribute to social and economic development in developing countries and elsewhere, and to promote international cooperation. It carries out a wide range of international cooperation projects, the content of which can be broadly classified as follows.

- [1] Government-based transfer of technology (dispatch of experts)
- [2] Japan Overseas Cooperation Volunteers program
- [3] Conducting a basic design study for and implementation of grant aid projects
- [4] Development Study
- [5] Technical training program in Japan
- [6] Emigration service
- [7] Emergency disaster relief

2. World Bank

The World Bank is an international development finance organization, established in December 1945, based on the International Bank for Reconstruction and Development Agreement adopted at the United Nations Monetary and Financial Conference held at Bretton Woods in July 1944. The aim was to assist the post-war reconstruction and economic development of the member countries, but by now it is effectively an aid organization for developing countries. In order to accommodate the varying stages of development and financial needs of developing countries, the World Bank Group comprises the following five agencies:

- [1] International Bank for Reconstruction and Development (IBRD)
- [2] International Development Association (IDA)
- [3] International Finance Corporation (IFC)
- [4] Multilateral Investment Guarantee Agency (MIGA)
- [5] International Center for Settlement of Investment Disputes (ICSID)

As of the end of April 1997, the World Bank has 180 member countries. Japan joined in August 1952. The headquarter is in Washington D.C.

3. ADB (Asian Development Bank)

An international development finance organization established to promote economic growth and development in the developing countries of the Asia-Pacific region. The resolution to establish ADB was made by the 21st General Meeting of the Asia-Pacific Economic Council (now ESCAP) in 1965, and it was formally established in 1966. As of 1997 the ADB has 57 member countries (including 16 countries from outside the region). Its operations include loans for development funds, finance guarantees, investments, promotion of mutual economic systems for the effective use of resources, aid to expand trade within the region, and technical assistance. The headquarter is located in Manila. Its operations are conducted according to sound banking

practice within its financial resources, and to that end its finance conditions are set on a quasi-commercial basis. Japan is the largest contributor to the ADB.

4. AFD (Agence Française de Développement)

AFD is France's development aid agency. In April 1998 the CFD, the former executing agency for financial assistance, absorbed some of the staff of the Cooperation Ministry to form AFD, a more comprehensive aid executing agency. It mainly works with its "prioritized solidarity zone", which consists of the developing countries of Francophone Africa, which have low income levels and difficulty in obtaining funds. It devises and implements individual projects in line with French government policy.

5. ODA (Overseas Development Agency, now the Department for International Development (DfID))

ODA (now of DfID) is the British development aid agency. It began its aid operations in 1964 as the Overseas Development Ministry. Since then it has undergone restructuring a number of times before being elevated to the status of the Department for International Development (DfID), with a minister in Cabinet. Its operations include development assistance, debt relief, financial assistance to protectorates and food aid.

6. USAID (U.S. Agency for International Development)

USAID is the US development aid agency. USAID was established in 1961, based on the Foreign Assistance Act, as a general aid agency within the State Department. When the International Development Cooperation Agency (IDCA) was established in 1979, USAID was re-organized under it. The agency works in six principle areas crucial to achieving both sustainable development and advancing U.S. foreign policy objectives; Economic growth and agricultural development; Population, health and nutrition; Environment; Democracy and governance; Education and training, and; Humanitarian assistance.