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Shunji Nanjo joined Yomiuri Shimbun in April 1969. After serving as an economics and foreign news correspondent in London, he became an editorialist in January 1994 and has been deputy chief editorialist since December 2000. He has implemented numerous field surveys on Japan's ODA loan projects, including third-party opinions on ODA projects in Vietnam and Malawi on consignment from the Ministry of Foreign Affairs. He has also been active as a member of multiple advisory bodies, including the Council on Customs, Tariffs, Foreign Exchange, and Other Transactions, as well as serving as director of the Japan Evaluation Society.

Projects Evaluated:

Field Survey: March - April 2005

India

- Purulia Pumped Storage Project
- Industrial Pollution Control Program
- Kolkata Transport Infrastructure Development Project
- Delhi Mass Rapid Transport System Project
- Kolkata Metro Railways Construction Project
- Yamuna Action Plan Project

Improvement of Evaluation Methods to Achieve "Effective and Efficient Assistance"

To promote poverty reduction, a major topic in India where the poor who live on less than a dollar a day constitute one quarter of the population, it is vital to install social infrastructure such as electric power, transportation, and water and sewage systems in a balanced manner. For the achievement of this, economic assistance with Japan's ODA loans as the centerpiece has the potential to make an enormous contribution. In this article, together with conducting project evaluations that take account of the poverty reduction effects achieved by each ODA loan project, I would like to consider the best form for the evaluations themselves.



Conferring with the governor of the state of West Bengal. According to the governor, poverty reduction remains a priority issue. A large impact is felt from electricity transmission network projects that contribute to rural electrification and power generation projects that help meet the demand for electric power. The opinion was expressed that, if there were no assistance for the electricity sector, it would be difficult for the overall economy to develop.

■ Purulia Pumped Storage Project

The amount of power generated by this plant is equivalent to the power used by 4.8 million people, based on the per capita electric power consumption in India. The project has an appropriate aim, which is to provide a stable supply of electric power to the region centered around West Bengal, improve the lives of local residents, and contribute to the development of industry. The visible effect as this point is the improvement in the lives of neighboring residents due to creation of employment, and following completion of the project, it is hoped that the effects will be sustained as the residents are motivated to initiate self-help efforts. For that, it is important to not only to use ODA loans but also to arrange a combined assistance system that includes grassroots grants and technological cooperation, etc. Only then should macro and micro poverty reduction be achievable.

■ Industrial Pollution Control Program

Since 2000 in India, environment-related laws have been enacted one after another, and measures against industrial pollution are of great importance. This project, which is an extremely high-priority project, aims to boost the supervisory capacity and the legal regulatory capacity of the West Bengal Pollution Control Board, and to promote plant and equipment investment by companies for environmental improvement. This ODA loan project is producing effects such as an increase in the number of regulated companies and the holding of educational activities for companies, universities, schools, and NGOs, etc., but utilizing the experience of West



Air monitoring station of the West Bengal Pollution Control Board, which was installed by the Industrial Pollution Control Program. It is a mobile station built on a truck.

Bengal, assistance should be expanded to boost the level of pollution control boards in other states. For that purpose, combinations of ODA loans and technological cooperation should be considered.

■ Delhi Mass Rapid Transport System Project

Currently, the system is being enlarged, but when the entire plan is completed, it is expected to greatly increase the convenience of transportation for city residents. Moreover, using the experience of the subway construction project in Kolkata, this project is making efforts to ensure its financially stable operation, including devising ways to secure income by avoiding overlap of routes through organizing parallel bus routes and by constructing rental buildings, etc. To produce adequate effects of those efforts, the loan providers should also definitely do follow-ups. For the construction itself as well, vital technology involving thorough safety practices and methods that shorten the construction time was transferred from Japan. The project can be commended for its social contributions, as it promoted AIDS education for the construction workers with the cooperation of an NGO. According to the authorities involved including the city officials, these types of results should be utilized in other projects.

■ Recommendations for ODA Evaluations

In recent years, methods used for ODA evaluations have been developed and improved respectively by the Ministry of Foreign Affairs, JBIC, and JICA. However, the evaluations are still obviously in the development stage; further plans and improvements are indisputably needed, and cooperation within each institution and among institutions on the evaluations is also insufficient. To achieve the original goal of the evaluations, which is "effective and efficient assistance," I would like to see each institution make an effort to cooperate and make improvements altogether.

In particular, when it comes to the effects of assistance on poverty reduction, it is not easy to produce persuasive evidence not only project evaluations but also in sector evaluations or national policy evaluations. Through the FY2005 thematic evaluation, The Role of Infrastructure in Reducing Poverty, I hope that methods will be developed and improved that will bring us even a little closer to that goal.

(See p. 79 for Thematic Evaluations, India: The Role of Infrastructure in Alleviating Poverty)