

## Seminar on the Evaluation of Japan's Environmental ODA Loans to China

On August 2, 2006, JBIC and China's State Environmental Protection Administration (SEPA) co-hosted Seminar on the Evaluation of Japan's Environmental ODA Loans to China in Beijing. The seminar was attended by some 140 people, including representatives from the governments of Japan and China, participants from universities, research institutes and the press.

As rapid economic development in China has aggravated environmental pollution, JBIC has undertaken numerous environmental improvement projects for the support of measures to air and water pollution. These ODA loans account for approximately 30% of aggregate amount of ODA loan to China (3,176.3 billion yen). In 2005, JBIC has implemented "survey relating to the evaluation of Japan's environmental ODA loans to China" with commissioning to Kyoto University for gaining a comprehensive overview of the effects by these projects. As a result of this survey, JBIC not only found out the amount of reductions in environmental pollutants quantitatively as direct effect, but also confirmed that there had been a certain contribution to policy and administrations regarding environmental protection as indirect effect. The primary objective of this seminar was to provide feedback on the results of the survey to Chinese stakeholders.

At the seminar, Kyoto University gave a presentation on the findings from its survey, while JBIC addressed its evaluation system on development project and SEPA spoke on China's urban environment evaluation system. This was followed by a panel discussion, during which there was lively argument. Through the exchange of opinions in the discussion, it was stated that the effect of the environmental improvement projects should be positively evaluated and it was requested strongly that there should be the continuation of tackling the environmental issue with cooperating between Japan and China.

JBIC is striving not only to implement environmental project but also undertaking intellectual support based on the needs from China such as joint evaluations on environmental improvement projects that was proposed at the seminar.



## Using Ex-post Evaluations to Strengthen Assistance to Africa

At the 2005 G8 summit in Gleneagles, Scotland, the Japanese government announced that it will undertake the Enhanced Private Sector Assistance for Africa (EPSA) in cooperation with the African Development Bank (AfDB) with a view to double its ODA to Africa over the next three years. Based on this governmental initiative, JBIC conducted a survey, targeting further improvements in project-based ODA assistance to Africa and utilizing those ex-post evaluation reports (60) that have been published, and it extracted achievements and issues arising from Japan's ODA loan assistance to Africa by sector and region and investigated the direction of future ODA loan support to the continent.

The findings revealed the following principle outcomes: the development of economic infrastructure – roads, telecommunications, power – have served to accelerate economic activity by

improving the quality of infrastructure and services in the areas covered by the projects. From a region-based perspective, the development of a telecommunications network linking those



southern Africa nations that have deep economic ties was designed to expand information networks throughout the region and has contributed to the revitalization of local economies. On the other hand, technical issues with the executing agencies, such as the failure to utilize prepared manuals, and inadequate operation and maintenance due to shortages of spare parts, were pointed out as examples of why initially projected outcome had failed to be achieved.

On the basis of these findings, JBIC has placed priorities on the development of economic and social infrastructure and of the private sector for future development projects in Africa. In light of the importance of region-based development, it will extend support to the wide-area development projects beyond the borders, that are being promoted by the New Partnership for Africa's Development (NEPAD). JBIC will continue to co-finance projects with the AfDB under the Accelerated Co-financing Scheme for Africa (ACFA) and will promote technical cooperation focused on capacity-building for executing agencies in cooperation with the Japan International Cooperation Agency (JICA).