

Grant Aid

Financial Cooperation for Building Living Foundations for the Future of Developing Countries

For the Future of Countries with Low Income Levels

Grant Aid is financial cooperation implemented by the Japanese government with no obligation for repayment by the developing country concerned. Targeted mainly at developing countries with low income levels, this type of aid covers a wide range of cooperation related to the future of developing countries, including development of social and economic infrastructure, such as the construction of hospitals or bridges, as well as education, HIV/AIDS awareness, children's health, the environment and other areas.

In recent years, Grant Aid has not been limited to structural measures, such as facility construction or the provision of equipment, but has also focused on cooperating in non-structural areas such as technical guidance, the development of human resources, and so forth, resulting in more effective cooperation.

For instance, to provide local people with the know-how to enable them to operate and maintain equipment installed through Grant Aid, experts are either dispatched from Japan, or local people are invited to Japan for training. There are also cases where the training and research facilities required for Technical Cooperation are built using Grant Aid.

Aside from projects implemented by the Ministry of Foreign Affairs of Japan due to the necessity in executing diplomatic policy, JICA is responsible for implementing Grant Aid and handles all project aspects, from conducting preliminary surveys to project implementation, including payment operations, and post-project management.

Targeted Sectors

Major targets include health and medical care, sanitation, water supply, primary and secondary education, rural and agricultural development, transportation, electric power, information

communications and other fields involving basic human needs. In recent years, these target sectors have been expanded and diversified to include conflict prevention, peacebuilding, landmine eradication, terrorism and piracy countermeasures, disaster prevention and post-disaster reconstruction, the environment and other areas.

Procedure for the Implementation of Grant Aid

Project Identification and Formulation

Regarding project content, JICA conducts preparatory surveys and other surveys in discussion with the government of the partner country, while examining from a variety of perspectives on the country's current situation, objectives of project implementation, scale of cooperation, the operation and management structures if implemented and the expected outcome. Based on this information, necessary costs are calculated.

Project Examination and Approval

Concerning the implementation process and results of preparatory surveys, JICA shares all information with the Japanese government, verifies the appropriateness of implementing a project and then examines the contents of cooperation.

Based on the results of the surveys, the Japanese government conducts necessary reviews and procedures for securing budgets and then submits project proposals to the Cabinet for a final decision on implementation.

Exchange of Notes and Grant Agreements

After approval by the Cabinet, the government of the partner country and the Japanese government sign documents (Exchange of Notes) summarizing the objectives and content of cooperation for the project.

JICA then signs a "Grant Agreement" with the government of the

Types of Grant Aid (Portion implemented by JICA)

Scheme Name	Summary
Grant Aid for General Projects	Support for projects implemented for basic human needs, education, etc. (including the construction of hospitals, schools and roads, or the procurement of materials and equipment for public transport vehicles, etc.)
Grant Aid for Community Empowerment	Support for comprehensive skills development in communities faced with threats to human life or safe living
Non-Project Grant Aid (Grant Aid for Conflict Prevention and Peacebuilding)	Support and others for spreading the necessary economic and social infrastructures in post-conflict countries
Grant Aid for Disaster Prevention and Reconstruction	Disaster prevention assistance and post-disaster reconstruction assistance
Programme Grant Aid for Environment and Climate Change	Support for adoption of policies and planning related to global warming countermeasures, etc., and for related projects
Grant Aid for Poverty Reduction Strategies	Public financing support for developing countries implementing poverty reduction strategies
Grant Aid for Human Resource Development (Scholarship)	Support for training young administrative officials in developing countries
Grant Aid for Fisheries	Support for projects promoting the fisheries industry in developing countries
Cultural Grant Assistance	Support for equipment procurement and facilities development needed for promotion of culture, etc.
Grant Aid for Underprivileged Farmers	Support for purchase of agricultural equipment and fertilizers, etc., to support self-help efforts toward food self-sufficiency
Grant Aid for Cooperation on Counter-Terrorism and Security Enhancement	Support for strengthening piracy countermeasures and other public security policies

partner country that sets the specific conditions for the grant.

Project Implementation

At the project implementation stage following the signing of the Exchange of Notes and Grant Agreement, JICA offers advice and implementation guidance to the recipient country and consultants. This advice and guidance is to ensure that facility construction as well as materials and equipment procurement proceed in an appropriate manner without delays, from the time of the agreement through transfer of the materials and equipment until completion

of construction.

Post-Project Management

After cooperation is completed, the government of the partner country handles operations and maintenance. However, there will be cases when equipment breakdowns or other unexpected problems occur. In such circumstances, JICA provides Follow-up Cooperation in the form of materials and equipment procurement, dispatch of repair teams and emergency repair work in order to maintain the effectiveness of cooperation.

Case Study

Upgrading a Museum to Promote the Development of the Local Economy

Sri Lanka: Project for the Improvement of Display Equipment of the Sigiriya Museum

Every year approximately 600,000 tourists visit the Sigiriya ruins, a World Heritage Site, in Sri Lanka. To invigorate the regional economy by effectively utilizing this valuable cultural asset, JICA is providing comprehensive support for promoting tourism in the region. As part of these efforts, JICA is supplying display equipment for a museum through Grant Aid.

Enjoyable-to-View Exhibits Will Be the Main Attraction for Tourism

Sigiriya was an ancient city that flourished around the 5th century, and the ruins of an old royal palace sit atop the peak of a rugged hill that towers over Sigiriya. This was chosen as a World Heritage Site in 1982, which spurred an increase in tourists. Despite this rise in tourism, the local economy has received almost no benefits due in part to inadequate structures and facilities for accommodating the influx of tourists.

In response to a request from the Sri Lankan government, JICA provided equipment for realizing appealing exhibits for use at a museum constructed with 2KR counterpart funds*, with the overall aim of comprehensively promoting tourism to help raise the incomes of local residents.

Opened in July 2009, the new museum features enjoyable-to-view exhibits that have been favorably acclaimed by tourists. These exhibits include a diorama that allows the entire ruins to be seen from atop a glass panel as well as a giant tombstone display that makes effective use of lighting.

JICA provided comprehensive support for this project, with efforts focused mainly on the museum. This included Technical Cooperation for developing human resources, including museum guides and preparing the tourism promotion plan, carrying out tourism promotion volunteer programs in the surrounding communities through Japan Overseas Cooperation Volunteers (JOCVs) and preparing various facilities, including installing steps within the ruin site and building access roads in the surrounding area using an ODA Loan. Additionally, JICA initiated a tourism promotion association featuring the participation of local governments, tourism associations, hotels and community residents to provide a variety of support for invigorating the local economy.

To date, JICA has provided wide-ranging support for Sri Lanka's tourism sector, which aims for rehabilitation after long years of strife in that country. This support includes ODA Loans provided to Anuradhapura, Nuwara Eliya and Negombo.

*Counterpart Funds

Materials provided through Grant Aid are sold by the government of the recipient country at low cost to

the residents and the proceeds earned from these sales are utilized for development in that country. The proceeds of sales of materials provided for increasing food production as 2KR (support for impoverished farmers) were used for the construction of the museum.

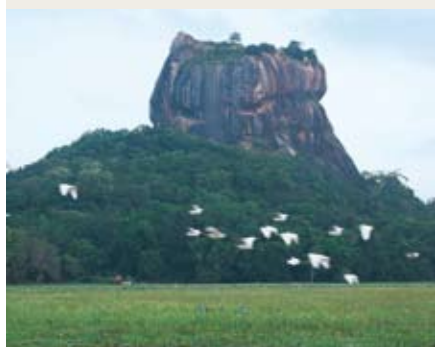
A Grassroots View

Sumeda Karunaratona
Central Culture Fund, Ministry of National Heritage & Cultural Affairs

During our observation visit to Shirokawa-Go in Japan, we found it very helpful to see the exhibits showing how local people maintain their own traditions and lifestyles, which they display as their own unique sales point. At the Sigiriya Museum as well, we will work to devise ingenious displays that are enjoyable for tourists. I am counting on JICA's cooperation in the future as well.

A Member of the Tourism Promotion Association

I am very thankful to JICA for its cooperation in promoting tourism in the local community. I believe it is really important to make efforts to discern needs such as for updating information in pamphlets and planning hands-on events. Our work together did not end with just the creation of a museum and I could feel a real sense of hospitality. I would like to see this conveyed to persons involved in local tourism.



Sigiriya Rock towers over the landscape beyond the jungle.



Sigiriya museum was built to harmonize with nature.



Elaborate diorama of the reproduced Sigiriya Rock under the floor