

# Enhancing Development Partnerships

## Ensuring Aid Effectiveness and Scaling Up of Development Outcomes to Tackle Global Challenges

JICA has been strengthening partnerships with other development assistance organizations to ensure aid effectiveness and to scale up development outcomes. JICA has been delivering constructive messages to the international community by actively participating in collective efforts by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) members together with the Japanese government.

In 2009, JICA accelerated its efforts to facilitate and strengthen partnerships following the landmark establishment in October 2008 of the “New JICA,” which provides concessionary loans (ODA Loans), Technical Cooperation and Grant Aid.

### Development Assistance in a Global Context

Since the beginning of the 21st century, donor countries, development assistance organizations and partner countries have striven to secure sufficient funds and improve aid effectiveness in order to meet the Millennium Development Goals (MDGs) as internationally recognized targets of development.

Based on the United Nations Millennium Declaration in September 2000 and prior discussions at international development conferences and summits, the MDGs were consolidated and adopted as a set of eight development goals for the international community to achieve by 2015.

To secure the necessary funds to achieve the MDGs, a substantial increase in the amount of aid through bilateral organizations, the World Bank and UN agencies was agreed to in various forums such as the International Conference on Financing for Development held in Monterrey (Monterrey Consensus) in 2002 and the Gleneagles Summit in 2005.

In order to effectively utilize these funds and achieve the goals, OECD/DAC also endorsed the Paris Declaration on Aid Effectiveness in March 2005.

In addition to these initiatives, globalization and emerging global issues such as climate change have had considerable impact on the structure of the international aid architecture. Furthermore, the global financial crisis triggered by the Lehman shock in late 2008 revealed the increased presence and power of emerging donor countries, providing an opportunity to reconsider the current approaches of aid delivery and the existing international aid framework.

### Playing an Active Role in the International Aid Framework

In the midst of the changing global context of development assistance, JICA is actively addressing its position to the international community by strategically utilizing partnerships with

other development assistance organizations.

During the High Level Forum held in Accra, Ghana, in September 2008 (the Accra High Level Forum on Aid Effectiveness), JICA and the Japanese government emphasized the importance of Capacity Development (CD) in ensuring the ownership of the partner countries, and its importance was well reflected in the forum’s final action plan, the Accra Action Plan for Aid Effectiveness. JICA continuously led and facilitated knowledge sharing for concrete CD assistance, both in the field and at various OECD/DAC forums.

Concerning emerging global issues, particularly climate change, JICA has been actively presenting its research results and proposals based on its experience in the field since 2009. These were presented on occasions such as the annual meeting of international financial institutions (IFIs) and the United Nations’ Climate Change Conference (COP15).

For example, Agence Française de Développement (AFD), KfW Entwicklungsbank (KfW) and JICA co-hosted a side event to share their effective approaches and tools to tackle climate change during the Asian Development Bank (ADB) Annual Meeting of the Board of Governors. The event fostered understanding on their proposal to apply these approaches on a wider scale. JICA also participates in the process of drafting the World Development Report (WDR) 2011 “Conflict, Security and Development” from the initial stage of research and analysis through to input from JICA Senior Vice President Kenzo Oshima as a member of the Advisory Council for the WDR 2011, as well as from the JICA Research Institute, which submitted several research papers to the WDR team. JICA has signed a partnership agreement with the United Nations Development Programme (UNDP) in November 2009 focusing on support in Africa and conflict-affected fragile states. JICA continues to promote and strengthen concrete collaboration with other UN agencies such as the United Nations High Commissioner for Refugees (UNHCR).

### Scaling Up Development Outcomes

As noted in the message published from the Tokyo International Conference on African Development (TICAD) IV held in May 2008, the needs of the poor in developing countries are ever-increasing, and the donor countries and international aid organizations have not been able to give adequate response thus far. Moreover, the needs related to a development agenda have become more diverse in recent years, including the need to tackle a new agenda such as climate change or to facilitate mid-to-long-term economic growth in the wake of the global financial and economic crises through improving infrastructure and social safety networks. To meet such great and diverse development needs, building strong partnerships among partner countries and donor agencies and scaling up

development outcomes is considered vital for efficient and effective development cooperation.

In addition to traditional development assistance organizations such as OECD/DAC member countries, UN agencies and IFIs, JICA has been actively strengthening relationships with emerging donors, namely Korea, which has formally become a DAC member in 2010. Other donor relationships include China, Thailand and organisations with an increasing presence such as the Islamic Development Bank.

With long-standing partners such as the World Bank, Asian Development Bank and AFD, JICA regularly exchanges views and holds extensive discussions on global issues or aid coordination at regional and country levels. As a result of these consultations, not only partnerships on the tangible project level but also strategic dialogues in regions and countries, as well as development issues between concerned agencies, have been enhanced. For example, JICA supported establishment of a policy framework for climate change of the Indonesian government together with AFD and provided US\$400 million in program loans. AFD provided additional co-financing of US\$300 million, thus realizing a greater overall impact.

Working with aid agencies in Korea and the Islamic Development Bank, JICA has been discussing collaboration on a tangible project basis through information sharing on areas of priority, approaches and project implementation methods.



At a side event held during COP15, JICA reported its activities and results to participants from over 190 countries, international organizations and development assistance agencies.

## Working Together with Emerging Countries in Asia

In December 2009, JICA held the fourth regular consultative meeting with the Economic Development Cooperation Fund of the Export-Import Bank of Korea (EDCF), and discussed the potential areas of collaboration in the future. In particular, both agencies shared their policies and progress on priority areas such as climate change, Africa and operations strategy in general.

Since its accession to the OECD in 1996, the Korean government has been increasing its scale of ODA operations to fulfil its role in the international community as one of the developed countries. EDCF was established within the Export-Import Bank of Korea in 1987 as an organization responsible for

implementation of bilateral loan assistance of ODA. Since its foundation, EDCF has been developing its institution, taking Japanese assistance as the model case, and JICA has frequently been sharing its practices and knowledge on various occasions. In addition, JICA and EDCF signed a Memorandum of Understanding in October 2006. Since then, consultative meetings have been held regularly to foster an extensive and strategic cooperative/collaborative relationship.

Up until now, JICA has assisted in the organizational capacity development of EDCF. However, as Korea advances its role as a donor by joining the DAC in 2010, it is important that both institutions fully understand each

other's areas of priority and strengthen their partnership at the operational level.

Given the significant increase in development assistance accompanied by economic growth in middle income segments in some Asian countries such as Korea, China, Thailand and Malaysia, JICA will further endeavour to establish and strengthen partnerships with these countries for scaling up development outcomes.