

JICA's Mid-term Plan/Annual Plan

1 JICA's Mid-term Plan

In accordance with Article 30, Paragraph 1 of the Act on General Rules for Incorporated Administrative Agencies, the Japan International Cooperation Agency (JICA) has established the following Mid-term Plan for achieving its Mid-term Objectives during a period commencing with fiscal 2012.

Taking into consideration the circumstances surrounding development assistance set out in its Mid-term Objectives, JICA follows its vision of “Inclusive and Dynamic Development” in effectively conducting projects in accordance with the initiatives and policies of the Japanese government regarding Official Development Assistance (ODA). Guided by the vision, JICA shall promptly supply comprehensive assistance for people living in developing regions from the standpoint of ensuring human security. Its activities shall target issues involving coping with globalization, achieving equitable growth, reducing poverty, and improving governance. In following this plan, JICA's staff members shall remain particularly conscious of the enormous assistance offered by many countries after the Great East Japan Earthquake in Japan, as well as the necessity of pulling together with the rest of the nation in the reconstruction drive following this catastrophe. With these points in mind, JICA shall move ahead with cooperation efforts that meet the expectations of other countries. In addition, taking full advantage of its position as one of the few public sector organizations that operates projects in developing regions at large while also having offices across Japan, JICA shall correlate the domestic challenges and experiences with those of other countries to contribute to the mutual resolution of issues.

Since its launch as a renewed organization in October 2008, JICA has become the sole implementing agency for all major Japanese ODA schemes—Technical Cooperation, Loan Assistance and Grant Aid. This structure enables JICA to implement optimum aid in developing regions facing various development issues by effectively combining the three forms of assistance in a harmonious and efficient manner that takes into account their special characteristics. Going forward, JICA shall further build on its efforts to spread the synergetic effects of its merger, promoting a program based approach in line with the Japanese government policy as a means to increase internationally competitiveness and become more strategic in operations. In solving development issues, JICA shall bring together the knowledge and experience of an “all-Japan” team of organizations through networking with NGOs, Japanese companies including small and medium-sized enterprises (SMEs), academic institutions and municipalities.

JICA shall further raise its level of expertise with regard to analysis and problem solving skills by incorporating international trends of development assistance in addition to the knowledge JICA has accumulated in the field. Additionally, it shall strengthen its external communications skills and deepen its cooperation with partners in the international community, for Japan to make intellectual contributions and play a leading role in global development assistance. Through these measures, JICA shall meet the expectations of the international community. It shall also enhance the transparency of its activities and organization, gaining understanding, support and empathy for international cooperation in Japan among citizens and at other levels of society.

In addition, JICA shall carefully study the rigorous suggestions made for incorporated administrative agencies including JICA. To fulfill its mandate from the people of Japan, JICA shall seek to operate in a more strategic, effective and efficient manner by constantly pursuing self-improvement throughout its organization and activities.

In executing the Mid-term Plan, JICA shall make every effort possible while continuing to collaborate with associated government institutions. Taking into account the individual characteristics of aid programs, it shall establish annual fiscal targets that are as quantitative and concrete as possible.

1 Measures to achieve the objectives related to improvement of services provided to the Japanese public and other operations.

(1) Measures for conducting effective operations

JICA shall conduct operations in accordance with Japanese government policies such as the ODA Charter, Japan's Medium-term ODA Policy, the Country Assistance Program and the Priority Policy Issues for International Cooperation as well as the development strategies and demand for assistance from recipient countries. It shall place emphasis on the quality of projects as well as the quantity and incorporate the PDCA (Plan, Do, Check, and Action) cycle in every process. JICA shall reinforce its program based approach to provide strategic, effective and efficient assistance in accordance with the priorities set by the Japanese government—poverty reduction, sustainable economic growth, addressing global issues, and peacebuilding. JICA's program based approach involves utilizing its expertise as an aid agency to understand development needs and current circumstances through country and/or regional analyses and dialogues with recipient countries and then combining the three schemes of Technical Cooperation, Loan Assistance and Grant Aid, flexibly and organically to serve those needs. Moreover, JICA shall leverage its expertise as an aid agency to strengthen its project planning ability, establishing a powerful implementation system to upgrade its project planning and execution capabilities. These efforts shall not be limited to existing assistance schemes, JICA shall also strive to improve its approach, methods and processes. In implementing projects, it shall endeavor to correlate its challenges and experiences in Japan such as the Great East Japan Earthquake, disaster prevention, declining birth rate and aging population, environment and energy, with those abroad in order to contribute to mutual solutions. At the same time, JICA shall initiate measures to enhance public understandings and support for ODA.

Taking into account ODA policy and other policies of the Japanese government, JICA pursues its vision of “Inclusive and Dynamic Development.” Guided by the vision, JICA shall formulate and implement projects of the highest standard ensuring human security in such priority areas such as poverty reduction, sustainable growth and global issues as well as peacebuilding.

Specific activities are as follows.

(a) Poverty reduction (contribution towards the MDGs)

- JICA shall assist the developing areas to achieve equitable growth, and thereby continued reduction in poverty, through assisting the poor in developing their various latent capabilities and by providing an environment in which those capabilities can be demonstrated.

(b) Sustainable economic growth

- JICA shall support sustainable growth in developing countries while contributing to the growth in Japan at the same time. It shall share Japan's experiences in reconstruction and growth as well as its knowledge, technologies and systems with the world. In doing so, JICA shall implement projects with consideration for disparity-reduction to ensure the benefits of economic growth are shared widely among the population including the poor.

(c) Global issues

- JICA shall collaborate with the international society to seek solutions to global issues such as global warming, infectious diseases, food and energy supplies, and disaster risk management.

(d) Peacebuilding

- JICA shall provide seamless aid throughout the peacebuilding process, from emergency humanitarian assistance to reconstruction

and development, to prevent conflicts and their reoccurrence and to consolidate peace.

(e) Strengthening operational strategy and management

- Based on its country and/or regional analysis and sector and/or thematic strategies, JICA shall promote a program based approach that combines a harmonious and efficient mix of Technical Cooperation, Loan Assistance and Grant Aid.
- To carry out projects more strategically, effectively and efficiently, JICA shall fully respect the PDCA cycle including ex-post project monitoring and follow-up activities, while compiling and transmitting the project achievements in Japan and overseas.
- JICA shall provide comprehensive support towards developing countries in their process of enhancing problem solving abilities, focusing on holistic capacity development at all levels—individuals, organizations and institutions and society.
- Recognizing the significance and effectiveness of South-South Cooperation in assisting developing regions, JICA shall strategically implement triangular cooperation and endeavor to accumulate knowledge and share it in the process.

(2) Reinforcing project formulation and external communication skills

(a) Reinforcing project formulation skills

(i) To meet diverse and complex development needs, JICA shall promote developing country and/or regional analysis papers and thematic and/or sector implementation guidelines.

(ii) JICA shall constantly accumulate knowledge and know-how about development agendas and project implementation, encouraging the sharing and effective use of these resources among stakeholders.

(iii) JICA shall share information and knowledge about volunteers, experts and promote dialogues with Japanese companies and NGOs in order to contribute to the information gathering and analyzing operations of country-based ODA Task Forces.

Specific activities are as follows.

- JICA shall develop country and/or regional analytical papers (around 50 countries by the end of the Mid-term Objectives period) and formulate thematic and/or sector directions as a solution providing-approach to find solutions by correctly determining the background and current situation surrounding development issues.
- To implement strategic projects, JICA shall strengthen its expertise as an aid agency by accumulating knowledge through dialogues with governments as well as implementing projects.
- JICA shall utilize information received from various stakeholders, including relevant knowledge and know-how and share it in country-based ODA Task Forces.

(b) Research

JICA shall carry out research to enhance strategic, effective and efficient operation, with insights about changing situations in international society, including developing regions and Japan. With a medium-long term perspective, JICA shall set research themes and carry out research projects in order to generate outcome which can be feed back to JICA's projects and to influence the international trends of development assistance through collaboration with universities and institutes conducting research on development assistance in Japan and overseas. JICA shall examine these contributions periodically and expand the outreach of research outputs.

Specific activities are as follows.

- To carry out high-quality research efficiently and set research themes that can be reflected in operations and can influence global trends in development assistance, JICA shall reinforce measures to ensure the quality of research. It shall do so through joint research, commission and other collaboration with partners in Japan and overseas, enhancement of internal capacity, peer reviews and evaluation by a third-party committee, while applying the knowledge cultivated by its operations. Furthermore, to provide feed back internally and strengthen its information transmission capabilities, JICA shall ensure opportunities to communicate research outputs strategically and exercise ingenuity in

improving transmitting media.

(3) Measures concerning implementing projects

(a) Technical Cooperation, Loan Assistance and Grant Aid

(i) Technical Cooperation

Technical Cooperation is a human-to-human cooperation that seeks to assist developing areas in improving their overall capacity to address their development issues on their own. JICA shall carry out this cooperation strategically, effectively and efficiently to contribute to economic-social development and improvement of welfare in developing areas. It does so by providing assistance for human resources development, technical standard improvement and development plan formulation, pursuant to treaties and other international agreements.

Specific activities are as follows.

- JICA shall appropriately and promptly formulate and implement Technical Cooperation to support developing countries and regions to solve their problems focusing on human resources development, development plan formulation, policy formulation, and institutional development.
- JICA shall improve operational systems for formulating and implementing cooperation with tangible development benefits. Based on the priorities of Japanese Government's policy, the needs of developing countries and regions and considerations involving project implementation.

(ii) Loan Assistance

The Japanese Loan Assistance program lends funds to governments, government agencies, or local governments, etc., of the developing areas pursuant to international agreement such as treaty, or to legal entities in Japan or the developing areas. The funds are lent under concessional terms and conditions regarding the interest rate, repayment period, etc. for the purpose of assisting developing areas to undertake independent efforts to achieve economic growth and become economically self-sufficient. JICA shall conduct these projects strategically, effectively and efficiently by assisting recipient countries to enhance their capabilities to manage project processes in a smoother way and with better systems. Private Sector Investment Finance is used to fund organizations such as legal entities in Japan or the developing areas. This loan is provided for high-impact development projects that cannot be financed by existing financial institutions. Such scheme shall be carried out with suitable supervision and in line with the policy of the New Growth Strategy approved by the Japanese Cabinet in June 2010. JICA shall ensure that a failsafe organization is in place with risk assessment, management, and other systems that reflects lessons learned from the pilot approach taken for the resumption of the private sector investment finance program.

Specific activities are as follows.

- JICA shall take appropriate actions to provide solutions for the agendas of developing areas, such as achieving economic growth independently and becoming economically self-sufficient. To accomplish this, JICA shall appropriately and promptly formulate and implement projects adequately and promptly while taking into account the needs of the recipient areas and public-private sector collaboration.
- Keeping in mind the political priorities of Japan and the needs of developing areas and issues involving project implementation, JICA shall work with the Japanese government to improve the financing system. Its aim is to further speed up the process and reduce foreign exchange risk for countries that receive loans and, in turn, formulate and implement projects that have significant development benefits.
- Private Sector Investment Finance is used for high-impact development projects that cannot be financed by existing financial institutions. Accordingly, JICA shall identify the project needs of private sector companies and other entities to promote projects in developing areas by the private sector. In addition, JICA shall endeavor to formulate projects of the highest standard with risk assessment, management, and other systems that reflect lessons learned from the pilot approach.

(iii) Grant Aid

Grant Aid is a financial assistance extended to developing areas with

no obligation for repayment. Targeted mainly at developing countries with low-income levels, this type of aid covers a wide range of cooperation, including the improvement of Basic Human Needs, the development of social and economic infrastructure, protecting the environment, and human resource development, to build the foundation for future development in those countries.

JICA is responsible for performing necessary operations strategically, effectively and efficiently for the implementation of the cooperation through Grant Aid pursuant to treaties and other international agreements. In addition, JICA shall perform necessary operations such as to investigate, mediate, and communicate concerning the execution of any contract pertaining to cooperation through Grant Aid that is designated by the Japanese Minister for Foreign Affairs as being in need of JICA's participation.

JICA shall take steps to maximize the development outcomes of ODA projects. It shall work to minimize overall costs while optimizing the scale of each project. JICA also shall enhance competitiveness in the procurement process by encouraging company participation through efforts to reinforce the framework for hedging unforeseen risks.

Specific activities are as follows.

- JICA shall appropriately and promptly formulate and implement Grant Aid projects to assist developing countries and regions to solve their problems. Such projects shall focus on economic and social development associated mainly with Basic Human Needs, the development of social and economic infrastructure, protecting the environment, and human resources development.
- JICA shall improve its operational systems for formulating and implementing Grant Aid projects with tangible development benefits, which reflects the priorities of the Japanese government's policy and, the needs of developing areas.

(b) Disaster relief and other cooperation

Cooperating with the international community, JICA shall take prompt, efficient and effective action to provide emergency relief for the victims in developing areas and etc., through deploying a Japan Disaster Relief Team (JDR) and providing disaster relief supplies.

Specific activities are as follows.

- When a major disaster occurs, JICA shall accurately analyze the needs of the affected country and cooperate with aid agencies in other countries to quickly and effectively provide the proper scale and type of disaster relief. It shall also continue to monitor the situation after these measures have been taken.
- To maintain the readiness of the JDR, JICA shall constantly upgrade exercise and training based on international standards and preserve and improve the skills of team members on standby. In addition, JICA shall prepare the necessary materials and equipment required for the team's activities. JICA also shall optimize its system for stockpiling disaster relief supplies.
- JICA shall maintain cooperative relationships with agencies and organizations in Japan and overseas, such as the United Nations, that supply emergency humanitarian aid. Through this cooperation, JICA shall seek to ensure that assistance is provided smoothly and effectively when an emergency occurs.

(c) Program for support for Japanese emigrants and their descendants (*Nikkei*)

JICA shall conduct this program based on the results of the government's assessment on the objectives of the individual programs, the state of their accomplishments, and the decisions regarding the necessity of such programs. It shall also give special considerations for the development of residing areas and communities of emigrants and emigrants' settlement and stabilization. JICA shall continue to prioritize welfare aid for elderly and human resources development when supporting emigrant organizations in recipient countries. Recognizing the importance of this program in foreign policy, JICA shall enhance the knowledge about emigration and overseas Japanese communities among Japanese citizens through educational and public relations activities, academic research and other means of communicating information. As

for the Loan Program for Emigrants, JICA shall continue to review its financial condition and to execute debt collection and restructuring in an appropriate manner, while adopting re-profiling of repayment and other arrangements, if necessary. JICA shall also prepare a plan to achieve an early completion of loan management operations. JICA shall downsize the Individual Technical Training Program for Japanese Descendants. JICA shall effectively and efficiently conduct the training programs aiming to nourish *Nikkei* identity and Japanese heritage, collaborating with the Japan Foundation by sharing the program information.

(4) Fostering of human resources for international cooperation programs (Training and securing human resources)

Training and securing personnel with superior skills and expertise who engage in international cooperation programs constitute not only the basis for overall activities of JICA but also the key element for the qualitative improvements in Japan's international cooperation. JICA, therefore, shall properly undertake necessary programs for training and securing of human resources including consultants based on specific development needs.

Specific activities are as follows.

- JICA shall enhance the external communication capability of the Human Resources Center for International Cooperation through effectively supplying information on participation opportunities in international cooperation along with training programs for developing human resources.
- JICA shall develop and enhance the skills of personnel engaged in international cooperation, particularly in sectors and themes where there is a great need but is a shortage of human resources, by providing training programs and other related activities for necessary capacity development.

(5) Promote the understanding and participation of the Japanese citizens

Understanding and support from the people of Japan are vital to international cooperation. To communicate the significance and current status of this cooperation to the people of Japan, JICA shall provide information to the public effectively and efficiently and encourage public participation in its activities.

(a) Volunteer programs

JICA shall effectively and efficiently conduct volunteer programs. With the aim of contributing economic and social advancement and revitalization in developing areas and assisting building friendly ties between Japan and developing areas and in promoting mutual understanding as well as providing an opportunity for volunteers to foster global perspectives and pass them on to the society. To adapt to changes in the environment for volunteer programs, the Ministry of Foreign Affairs and JICA conducted an extensive reexamination of the role of overseas volunteer programs in July 2011 and a review of how to implement these programs in the following months (Grassroots Diplomats: Japan's Overseas Volunteer Program – For Co-existence and Relationships). Based on the results of these reviews, JICA shall enhance the quality of the program and implement measures to improve operation systems and methods, deepen partnerships with other ODA programs, companies with useful expertise, local governments, NGOs and other organizations. It shall also reinforce its activities to enable Japanese citizens to participate in the program with greater confidence and support returned volunteers to pass on their experience to society. JICA shall also assess projects appropriately according to their nature and work to attain “visualization” of the activities of and results achieved by overseas volunteers and their career path after returning to Japan.

Specific activities are as follows.

- JICA shall enhance the quality of the program through implementing programs that contribute to solve development issues, and collaborate with other programs and organizations.
- JICA shall implement measures to achieve “visibility” of the current state of volunteer activities.
- JICA shall strengthen its support towards activities by volunteers who are on assignment in locations receiving aid.

- To encourage participation from a variety of fields, JICA shall strengthen its partnership with public sector agencies, private sector companies, universities and other organizations in its volunteer programs.
- JICA shall improve its recruitment, selection, training and studies, to effectively and efficiently secure and train adequate human resources that match development needs.
- JICA shall determine and implement specific measures to utilize returned volunteers in Japanese society. In addition, it shall reinforce its indirect support for returned volunteers in passing on their experience to the society and to furthering their careers.

(b) Citizen participatory cooperation

Citizen participatory cooperation is a cooperation where knowledgeable and well experienced Japanese organizations such as NGOs, municipalities and academic institutions, play a key role. The participation of Japanese citizens contributes to their better understanding of ODA. The cooperation also facilitates appropriate and efficient technology transfer that meets the diverse needs of developing countries. In pursuing JICA Partnership Programs, JICA shall effectively implement grass root cooperation centering on improving quality of life and livelihood of the people in developing areas through promoting partnership with NGOs and other organizations. Additionally, to encourage broad participation of the Japanese public, JICA shall exercise care in respecting the initiatives of the partnering organizations' and endeavor to expedite procedures.

Specific Activities are as follows

- With the JICA Partnership Program, JICA shall endeavor to provide comprehensible information and project cases on targeted areas. It shall also improve operational management and strive to simplify and expedite administrative procedures. These efforts are intended to ensure applications that match the objectives of the program are made from broad spectrum of Japanese citizens.
- JICA shall use domestic offices to support community based cooperation activities. To improve the quality of development education, it shall strengthen collaborations with NGOs, academic institutions, local governments and other organizations.
- For NGOs and other organizations that aim to conduct international cooperation activities, JICA shall promote such programs aiming human resources development, organization reinforcement, and project management advancement.

(c) Public relations

(i) Communicating information on ODA activities

To fulfill its accountability and promote the Japanese public's trust, understanding empathy and participation in international cooperation, JICA shall strengthen collaboration with the media, NGOs and other partners and utilizes its domestic and overseas offices. Another objective for public relations is to deepen the understanding of Japanese ODA among the people in developing areas. JICA shall function as an information hub of ODA projects for the Japanese public by communicating information on the formulation and implementation of ODA projects with better access.

(ii) Increasing the visibility of ODA (enhancing transparency)

JICA shall enhance information disclosure through clear communication of ODA's effects by shifting focus on outcomes and through the set-up of a website to systematically provide information on the ODA projects. JICA shall release information regardless of the success or the failure of the projects. This aims at enhancing the confidence of the public in ODA through increasing its transparency and visibility.

(6) Reinforce JICA's role as a "node" for a variety of associated entities

(a) Collaboration with NGOs, private sector companies and other variety of associated entities

JICA shall conduct effective operations by using an "all-Japan" framework that brings together the personnel, knowledge, capital and technologies of the public and private sectors. With the intent of contributing to fostering human resources with a global perspective, JICA shall strengthen its collaboration with a variety of associated entities in Japan. Examples include NGOs, SMEs and other private sector companies,

academic institutions and local governments.

Specific activities are as follows.

- JICA shall enhance its partnerships with a variety of associated entities such as NGOs, private sector companies, academic institutions, local governments and others. Promoting their participation in JICA projects, it shall incorporate their knowledge and technologies in these projects.
- In sectors where it can assist with solutions to development issues in developing areas, JICA shall strengthen its partnerships with SMEs and other Japanese companies while continuing to work with other agencies on these issues. JICA shall conduct operations based on effective and efficient collaborations with the private sector and also contribute to training and recruiting the personnel needed for the global utilization of the outstanding products and services of these companies.

(b) Contribution to Japan's leadership in the international community

In order to realize the mutual benefit of the international community and Japan, JICA shall actively play a part in tackling and raising awareness of global issues and contribute to Japan's leadership in these discussions. JICA shall strengthen partnerships with international organizations and emerging donors, by way of highlighting Japan's presence by outreaching Japan's assistance policy and approaches while remaining aligned with the international community.

Specific activities are as follows.

- To provide even more effective assistance, JICA shall share its expertise on valid approaches and other activities based on its extensive experience with the international community. JICA shall participate in forming international agendas and regional and country strategy, as a key member, as well as strengthening regional and country specific aid coordination. In doing so, JICA shall contribute to solving global issues.
- JICA shall enhance strategic partnerships with emerging donors, promote triangular cooperation and serve as an interface for aid coordination frameworks.
- JICA shall promote collaboration with international agencies and other institutions on individual programs and projects.

(7) Cross-cutting issues in JICA's operations

(a) Environmental and social considerations

When implementing its cooperation projects, JICA shall raise awareness on avoiding or minimizing environmental impacts and social impacts, such as involuntary resettlement, among JICA's staff members and others concerned and operate in accordance with its 'Guidelines for Environmental and Social Considerations' (effective 1 July 2010) with support from external experts.

(b) Gender equality

With the distinct understanding of the importance of gender equality in securing fairness in development and in improving its operational impact, JICA shall, in its operations, make further efforts to raise the status of women through sufficient consideration to ensuring active participation of women in development as well as equitable sharing of benefits of development. Therefore, JICA shall encourage its staff members and other related personnel to deepen their understanding of the importance of promoting gender mainstreaming in development assistance, and strive to manage its operations from gender perspectives at each step of operation.

(c) Operations evaluation

JICA shall implement efficient and systematic operations evaluations in an appropriate manner, in accordance with the PDCA cycle. The framework of JICA's operations evaluation is consistently established at each stage of the project; from the ex-ante evaluation which includes objective operation and effect indicators for outcomes, to the ex-post evaluation which includes its achievement compared with the prior expected outcomes and the lessons learned.

JICA shall also publish the results of evaluations to the public in a way that is easy for people to understand so as to enhance visibility of ODA. The results of evaluations shall be promptly and properly fed back to new projects.

Specific activities are as follows.

- JICA shall enhance the quality of its operations evaluation through steady implementation of ex-post evaluation and appropriate sharing of evaluation results including lessons learned that serve to strengthen the feed back function.
- JICA shall improve the means of disclosure and promptly disclose the results of JICA's operations evaluation to the public.
- JICA shall address implementation of new evaluation methodologies, such as evaluation of cooperation programs and impact evaluation.

(d) Reinforced safety measures

JICA shall collect safety information and implement suitable measures to ensure safety for all parties associated with JICA projects.

Specific activities are as follows.

- Since overseas operations take place in developing areas, JICA must incorporate safety measures that take into account the security situation, transportation infrastructure and other risk factors in each country. From this point of view, JICA shall implement suitable safety measures for the experts, volunteers, staff members and other individuals involved in overseas operations.
- For projects that include construction of facilities, JICA shall make sure that the governments and executing bodies of the developing country, consultants, and contractors rigorously implement safety measures. JICA shall strengthen the mechanism to support these organizations when their measures are inadequate.

(e) Unless there is a justifiable reason not to do so, JICA shall immediately take measures requested by the Minister for Foreign Affairs based on Article 40 of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency.

2 Measures to be taken toward achievement of the objectives related to increased efficiency in operations management.

(1) Improving flexibility in organizational management

JICA shall establish a system which enables strategic, effective and efficient provision of assistance in a flexible manner, responding to environmental changes in both Japan and overseas, such as diversifying needs of developing areas and shifts in Japanese ODA policies, through making steady progress with initiatives based on the Basic Policy of the Review of the Clerical Work and the Operations of Incorporated Administrative Agencies (Cabinet Decision on December 7, 2010). From this standpoint, JICA shall take advantage of the flexibility intended by the incorporated administrative agency system and continue to reinforce necessary functions. JICA shall achieve an appropriate streamlining of its headquarters by realigning its philosophy for organizational changes as well as its expected functions and roles.

For overseas offices, JICA shall perform necessary reviews to achieve the appropriate allocation considering changes in the international circumstances, and others factors. To implement effective and efficient operations, JICA shall comprehensively reinforce its capability to accurately grasp diversifying needs of developing areas through enhancing country analysis, developing JICA Rolling Plan, participating in the ODA Task Force; to hold dialogues with aid recipient countries and other donors; to formulate projects, at the field level by shifting personnel from Japan to overseas offices and other measures. Furthermore, with other institutions that have overseas offices, JICA shall identify issues including the preservation of the legal status of overseas offices and personnel and the application of governance for financial operations involved with Loan Assistance, and individually consider the functional integration of overseas offices, and reach a conclusion by the summer of 2012.

For domestic offices, JICA shall examine the necessity and other factors of individual bases and reexamine the allocation. In addition, JICA shall verify domestic offices in terms of their objectives of establishment, functions, and the state of use and take them into consideration in reviewing of appropriate allocation. JICA shall utilize experience and networks in each area and contribute to development issues in developing areas. Furthermore, by using the verification results of third party experts, JICA shall strengthen its role as a node for international cooperation in local areas in Japan and take steps to increase the understanding,

empathy, support and participation of the people regarding international cooperation.

Specific actions are as follows.

- JICA shall take advantage of the flexibility intended by the independent administrative agency system to review its organizational structure at headquarters. The review shall aim to enable it to respond promptly and properly to the assistance needs of each area and country and to operate strategically and effectively. Continuing to strengthen necessary functions, JICA shall streamline its organizational systems at headquarters by realigning divisions and departments.
- For overseas offices, JICA shall conduct the necessary review to achieve the most appropriate allocation and the size of these offices. The review reflects international circumstances, such as economic growth in developing areas, the length of projects and other factors.
- Depending on conditions in each country, JICA shall expand and improve its training programs and revise its operating systems to make even greater utilization of national staff of the overseas offices. It shall also proceed with the steady shift of personnel from headquarters and domestic offices to overseas offices in order to strengthen the functions at the field level through such measures as upgrading the ability of headquarters to support overseas operations.
- Looking at the review of domestic offices, JICA shall relocate the functions of JICA Global Plaza at Hiroo to other facility and integrate Osaka International Center and Hyogo International Center. Within this process, it shall reexamine operations to prevent any degradation concerning the roles or performance of these offices. In the cases of Sapporo International Center and Obihiro International Center, JICA shall implement integration in accordance with discussions with local governments and other parties. For Tokyo International Center and Yokohama International Center, it shall consider integration of these locations based on the role of the long-term training program, the handling of the Japanese Overseas Migration Museum, the rate of utilization of facilities, and other factors to reach a conclusion.
- For domestic offices, JICA shall conduct effective and efficient activities that take advantage of the characteristics of each location through the use of technical cooperation, the cooperation program for citizen participation, programs for supporting development education, public relations activities and other measures. From the point of view of increasing the understanding, empathy, support and participation of the Japanese public regarding international cooperation, JICA shall establish collaborations with a variety of partners, such as private sector companies, NGOs, local governments and universities.

(2) Proper and fair organization and operations

In accordance with the nature of its activities, JICA shall use the following measures to ensure that operations are performed properly and fairly while also paying attention to preserving the quality of activities.

(a) Increasing competitiveness and transparency in contracts

For contractual transactions, JICA gives consideration to ensuring competitiveness while taking care to continue to train the development consultants needed to formulate high-grade projects. In this process, it shall follow the Examination and Review on the State of Implementation of Contracts in Incorporated Administrative Agencies (Cabinet Decision on November 17, 2009), the Fundamental Policy for Reforming Public-service Activities and other government policies. JICA shall establish conditions that facilitate the application for positions by development consultants and others and shall inspect and review contracts to include measures for improvements regarding the competitiveness of single-party bids and applications. In conjunction with those efforts, JICA shall prevent fraud and other improper behavior by taking measures in accordance with laws, regulations and guidelines to ensure proper operations.

Specific activities are as follows.

- From the standpoint of forming proper contractual agreements, including making them more competitive, JICA shall continue to make improvements concerning the reduction of single-party bids and applications and contractual procedures.
- In view of further enhancing the transparency of contracts, JICA shall

make its selection process, selection standards, selection results, contract performance and other aspects of contractual transactions available to the public. In addition, it shall continue to have third parties check the selection process.

- To prevent fraud and other improper behavior, JICA shall use strict measures in accordance with laws, regulations and guidelines to operate properly.
- For contracts with associated public-service corporations, JICA shall continue to take actions to ensure competitiveness and transparency, such as by using competitive bidding open, in principle, to the public.

(b) Improving governance and transparency

To achieve its objectives as an organization, JICA shall improve management and oversight of performance. It shall seek to expand and strengthen its governance system through the use of suitable frameworks and systems and operations (including monitoring). The governance system takes into account the special characteristics of Loan Assistance, which requires a governance system for finance operations.

- (i) JICA shall conduct internal audits and appropriately follow-up based on the audit results, which shall also include the results of external audits.
- (ii) JICA shall ensure that operations are conducted properly within the organization and constantly improved. To that end, it shall reinforce its internal control functions, including improving the functioning of the whistle-blowing system.
- (iii) JICA shall take the necessary actions to execute suitable information security measures in line with the Information Security Strategy to Protect the Public and other government policies.
- (iv) JICA shall perform annual evaluations of performance with the participation of external specialists. The results of evaluations are reflected in JICA's operations through the organizational target management process.
- (v) JICA shall create opportunities for incorporating proposals for improvements by stakeholders in all aspects of its operations. This shall include the opinions of experts, volunteers, NGOs, consultants, private sector companies and other associated entities that stand at the forefront of international cooperation.

(c) Streamlined and appropriate administrative operations

Keeping in mind the special features of each administrative task, JICA shall maintain an environment conducive to the efficient implementation of operations. In addition, JICA shall endeavor to improve administrative processes to enable streamlined and appropriate operations.

Specific activities are as follows.

- JICA shall review administration of contracts to streamline and simplify operations. It shall simplify all procedures for selections and payments for contract counterparties; procuring materials more efficiently; managing contract information more efficiently; establishing a suitable framework for procurement activities at overseas offices; and taking other actions.
- JICA shall further improve the efficiency of procedures for dispatching experts and others to aid sites, accepting training participants, performing activities involving volunteers, and for other activities.

(3) More efficient utilization of costs, appropriate salary levels, etc., suitable review of assets

(a) More efficient utilization of costs

During the Mid-term Objectives period, while preserving the quality of operations, JICA shall aim to improve the efficiency of management grants operations by at least 1.4% in each fiscal year with regard to total general administrative and operating expenses (except special operating expenses and one-time items). Measures to reach this target shall include a proper and stringent review of payments and other benefits for experts, project formulation advisors, overseas health management personnel and others; controlling payments to volunteers; and cutting fixed and other costs. These efficiency measures shall not apply to personnel expenses, which are provided for in the next section.

(b) Appropriate salary levels, etc.

Salary levels at JICA are higher than those of the national government employees (Laspeyres Index with regional & academic adjustment was 109.3 (JFY 2010)) due to the special nature of JICA's operations. During the current Mid-term Objectives period, JICA shall continue to review salary levels constantly in the context of those of government employees. After thoroughly examining the appropriate levels of salaries for board members and staff members, including allowances, JICA shall establish targets for salary levels and a deadline for achieving the targets. JICA shall then take actions in accordance with a plan and make a public announcement of the results of its salary examination and its initiatives.

In addition, JICA shall review total personnel expenses, taking into account the measures by the Japanese government to reduce its total personnel expenses. During this process a proper review is done as quickly as practical on overseas work allowances provided to personnel sent overseas with reference to such allowances provided to employees of the Japanese government, private sector companies and other organizations.

(c) Suitable review of assets

JICA shall continue to disclose detailed information about its assets. Furthermore, it shall constantly perform reviews of the necessity of holding these assets. These reviews shall consider the actual utilization of assets and other possible uses to determine their necessity to the organization. Necessity shall be reviewed from the standpoint of the degree of possible other effective uses of assets that would not disrupt JICA's operations, the effective disposal of assets, and economic rationality. JICA shall also undertake a rigorous examination to determine which assets should be retained, taking into account the current status of its assets. Based on this assessment, assets shall be sold, returned to the Japanese government and disposed of in other ways to the extent that operations are not negatively affected. For employee housing, JICA shall take appropriate actions that are consistent with the government's policy for the review of employee housing at incorporated administrative agencies.

For its portion of the Takebashi Godo Building, JICA shall undertake a study of effective ways to utilize this space. Should a decision be reached that the property is not needed and sale is the logical course of action, JICA shall dispose of the property.

3 Budget (including estimation of personnel costs), income and revenue planning, capital planning (except accounts for finance and investment)

(1) JICA shall prepare a Mid-term Plan budget, revenue and expenditure plan and funding plan for programs that operate on management grants, while reflecting items prescribed in "2. Measures to be taken toward achievement of the objectives related to increased efficiency in operations management." JICA shall then conduct operations based on the budget and other items, taking measures to further optimize budget execution management while preserving the quality of operations. Moreover, JICA shall calculate the annual subsidy for operations very carefully taking into account the amount of unexecuted management grants. To provide even greater transparency about its finances, JICA shall expand segment and other information supplied with the financial statements. Furthermore, operational reports and other reports shall provide more specific information about the causes of unexecuted management grants and measures for dealing with the issue in future.

(2) JICA shall continue to work on securing its own revenues and properly managing and using those revenues.

4 Short-term loan ceilings

General Account: ¥62.0 billion
Finance and Investment Account: ¥220.0 billion

Reasons: The General Account requires loans to avoid late payments of personnel expenses to staff members and operational expenses in the event of an approximately 3 month delay in the receipt of management grants from the Japanese government.

The Finance and Investment Account requires loans to deal quickly and efficiently with events such as short-term funding gaps involving short-term loan repayments and the collection of loans receivable, temporary funding when FILP agency bonds are issued, rapid changes in the amount of loans extended, and other events.

5 Plan for disposing of assets that are unnecessary or expected to become unnecessary

JICA shall sell some condominiums used for employee housing. Plans call for disposing of 34 units in fiscal 2012, 33 units in fiscal 2013 and 33 units in fiscal 2014. JICA shall reimburse the Japanese government for these assets by paying an amount calculated using the standard prescribed by the supervising Cabinet minister but limited to the actual proceeds of these sales. However, should assets prove difficult to sell, it may instead transfer unnecessary assets directly to the Japanese government.

JICA shall transfer the property of Osaka International Center to the Japanese government by the end of fiscal 2012. In the case of JICA Global Plaza at Hiroo, the property will be transferred to the Japanese government or sold by the end of fiscal 2013. If the property is sold, a payment that is calculated using the standard prescribed by the supervising Cabinet minister, but is not more than the proceeds of these sales, shall be made to the Japanese government.

6 Plan for transferring or mortgaging of important assets other than the assets prescribed in Item 5

Not applicable

7 Use of surplus funds (except the account for Japanese ODA Loans)

If there is a surplus, these funds are used for operations, facilities and equipment that can improve JICA's programs while taking into account the progress of Mid-term Plan.

8 Other items related to operations management stipulated by ordinances of the competent ministry

(1) Facilities and equipment

JICA shall maintain facilities and equipment from a long-term perspective for the purpose of achieving objectives concerning making operations more efficient and improving the quality of operations. JICA shall endeavor to use these facilities and equipment effectively and efficiently.

Specifically, JICA shall repair and upgrade facilities and equipment from the standpoint of operational necessity related to the aging of existing facilities and other reasons.

Plan for Facilities and Equipment from Fiscal 2012 to Fiscal 2016

(Million yen)

Facilities and equipment	Source of funds	Budget
Purchase and renovation of facilities at head office, offices in Japan, etc.	Subsidy for facility maintenance expenses, etc.	2,577
		Total 2,577

Note: The amounts for the facility maintenance subsidy and other items are determined during the budget preparation process for each fiscal year.

(2) Personnel planning

To conduct its operations effectively and efficiently, JICA shall assign people to appropriate locations and accords the staff member's treatment in keeping with their roles and contributions. In addition, JICA shall utilize career development, training and other programs to upgrade the skills of staff members in response to the increasing sophistication and specialization required by its operations. For career development that

further increases staff members' specialty skills and utilizes those skills, it shall encourage staff members to be aware of their career goals, including a field of specialty, early in their careers. Furthermore, JICA shall use various methods to increase opportunities for personnel to use their skills efficiently at the field level.

JICA shall establish a plan to develop personnel suited to effective and efficient operations.

Specific activities are as follows.

- JICA shall boost the motivation of staff members by accurately evaluating their performance and rewarding all staff members with remuneration and other benefits that reflect their respective roles and contributions. To improve the quality and efficiency of its operations, it shall also allocate its human resources properly according to skill and project needs.
- JICA shall encourage each staff member to pay more attention to his or her career path and shall provide each staff member with training and opportunities to develop themselves. This shall include increasing their knowledge of country, area and development issues; improving skills for formulating aid cooperation programs and project management; and upgrading communication skills, including the study of foreign languages. Learning opportunities include management experience at project sites, temporary assignments to international agencies and other activities. The objective is to strengthen the capabilities of the workforce to meet the increasingly sophisticated and specialized nature of JICA's operations.
- JICA shall extend greater support for overseas assignments to enable personnel to smoothly perform their duties. Steps shall be taken to efficiently utilize human resources, including those to facilitate overseas assignments for personnel who previously could not leave Japan because of family or other issues.

(3) Matters related to the disposal of reserve funds and the handling of assets obtained from the collection of loan payments (Article 31, Paragraph 1 of the Act for the Incorporated Administrative Agency-Japan International Cooperation Agency and Article 4, Paragraph 1 of the Supplementary Provisions of the Law)

When reserve funds remain after the procedure prescribed in Article 44 of the Act on General Rules for Independent Administrative Agency, the portion of this amount approved by the supervising Cabinet minister can be used as follows: for contracts (except Loan Assistance operations) where liabilities exceed the Mid-term Objectives period due to unavoidable circumstances in the immediately preceding Mid-term Plan; for accounting treatment concerning the amount that affects profits and losses in the account for transitional functions, etc. that were recorded during the previous Mid-term Objectives period; and in other cases.

For claims recovered and other funds received during the previous Mid-term Objectives period, amounts received are submitted to the Japanese government in an appropriate manner based on the Act for the Incorporated Administrative Agency-Japan International Cooperation Agency.

(4) Liabilities that go beyond the Mid-term Objectives period

For liabilities that go beyond the Mid-term Objectives period, JICA shall enter into contracts that cover the next Mid-term Objectives period in cases where it believes that the liabilities are necessary.

Table 1: Budget

		(¥ million)
Item		
Revenue	Revenue from management grants	709,640
	Subsidy for facility maintenance expenses, etc.	2,577
	Interest income and other revenues	1,711
	Revenue from contracted programs	7,496
	Donation revenue	120
	Revenue from reversal of reserve carried over from previous mid-term period	1,043
	Total	722,587
Expenditure	General administrative expenses	49,988
	Excluding special items	49,988
	Operating expenses	662,405
	Excluding special operating expenses and special items	658,005
	Contracted programs expenses	7,496
	Expenses for donation projects	120
	Facility maintenance expenses	2,577
	Total	722,587

Notes 1. In some cases numbers do not correspond to the sum total figures because of rounding.
 2. The items "Subsidy for facility maintenance expenses, etc." in Revenue and "Facility maintenance expenses" in Expenditure have been included based on the Facilities and Equipment Plan for Fiscal 2012. Actual figures were determined during the process, etc., of creating the budgets for individual fiscal years.
 3. Because Grant Aid planning is determined by Japanese Cabinet meetings, the budget, income and expenditure plan, and capital plan stipulated under Article 13, Paragraph 1, Item 3 (i) of the Act of the Incorporated Administrative Agency—Japan International Cooperation Agency (Act No. 136 of 2012), are not included.

[Estimate of personnel expenses]

The estimate of personnel expenses for the period of the plan is ¥64,539 million. However, the figures included in the table above are those equivalent to the scope of expenses for basic salaries, work-related expenses and overtime allowances, and administrative leave pay.

[Management Grant Calculation Method]

Adoption of the rule-based Management Grant Calculation Method

[Rule-based Management Grant Calculation Method]

Management grants are calculated using the following formula.

$$A(y) = B(y) + C(y) + D(y) + E(y) - F(y)$$

A(y): Management grants
 B(y): Property expenses
 C(y): personnel expenses
 D(y): Special operating expenses
 E(y): Special items
 F(y): Interest income and other revenues

• Property expenses B (y)

The property expenses B (y) for each fiscal year is calculated by the following method.

B(y) is the property expenses for the previous fiscal year B (y-1) x "efficiency coefficient α " x "adjustment factor σ "

• Efficiency coefficient α

Specific coefficient determined in the process of creating the budget for each fiscal year.

• Adjustment factor σ

Specific factor determined in the process of creating the budget for each fiscal year taking into account changes in operations in accordance with revisions of laws and increases or decreases in the size of operations depending on political considerations.

• Personnel expenses C (y)

Personnel expenses are determined in the process of creating the budget for each fiscal year.

• Special operating expenses D (y)

These are operating expenses necessary for dealing with national policy issues for which JICA would have difficulty deciding on or executing on its own. Specific figures are determined in the process of creating the budget for each fiscal year.

• Special items E (y)

Occasional increases or decreases in expenses due to events that cannot be foreseen at the current point in time. Specific figures are determined in the process of creating the budget for each fiscal year.

• Interest income and other revenues F (y)

The project income F (y) for each fiscal year is calculated by the following method.

F (y) = "interest income for the fiscal year" + "miscellaneous income for the previous fiscal year G (y-1)" x "the income factor δ ."

• Income factor δ

Specific factor determined in the process of creating the budget for each fiscal year.

The specific coefficients and factors for the above calculations used in determining the mid-term plan budget are as follows.

α : Efficiency coefficient (assumed to be 0.986)

σ : Adjustment factor (assumed to be 1.00)

δ : Income factor (assumed to be 1.03)

Table 2: Income and Expenditures Plan

		(¥ million)
Item		
Expenses		720,656
Ordinary expenses		720,656
General administrative expenses		49,422
Excluding special items		49,422
Operating expenses		662,405
Excluding special operating expenses and special items		658,005
Contracted programs expenses		7,496
Expenses for donation projects		120
Depreciation expenses		1,213
Financial expenses		0
Extraordinary loss		0
Revenues		719,614
Ordinary revenues		719,375
Revenue from management grants		709,073
Interest income and other revenues		1,472
Revenue from contracted programs		7,496
Donation revenue		120
Transfer from liabilities for property management grants		1,162
Transfer from liabilities for property grants		52
Financial revenues		238
Interest income		238
Extraordinary profits		0
Net income (loss)		(1,043)
Reversal of surplus deposits from the previous mid-term period		1,043
Reversal from special purpose reserve		0
Total income (loss) for the current year		0

Note: In some cases numbers do not correspond to the sum total figures because of rounding.

Table 3: Capital Plan

		(¥ million)
Item		
Outflows		739,639
Payment of operating expenses		719,443
General administrative expenses		49,422
Excluding special items		49,422
Operating expenses		662,405
Excluding special operating expenses and special items		658,005
Contracted programs expenses		7,496
Expenses for donation projects		120
Payment for investing activities		3,144
Payments for purchase of fixed assets		3,144
Payment for financing activities		4,087
Expenses for returning unnecessary assets to Japanese government		4,087
Expenditures for lending programs		10,797
Surplus deposits carried forward to the next mid-term period		2,168
Inflows		739,639
Proceeds from operating activities		718,967
Proceeds from management grants		709,640
Project income		1,711
Proceeds from contracted programs		7,496
Donation revenue		120
Proceeds from investing activities		4,343
Proceeds from subsidy for facility maintenance expenses		901
Proceeds from sales of fixed assets		647
Proceeds from loans receivable		2,795
Proceeds from financing activities		0
Surplus deposits from the previous mid-term period		16,239

Note: In some cases numbers do not correspond to the sum total figures because of rounding.

In accordance with Article 31, Paragraph 1 of the Act on General Rules for Incorporated Administrative Agencies, the Japan International Cooperation Agency (JICA) has established the following Annual Plan for the year ending March 31, 2013 based on its Mid-term Plan for a period commencing with fiscal 2012.

1 Measures to achieve the objectives related to improvement of services provided to the Japanese public and other operations.

(1) Measures for conducting effective operations

(a) Poverty reduction (contribute to achieving the MDGs)

JICA will formulate and implement exemplary projects in such sectors as health, education, and water that contribute to achieving the MDGs. The goal of these projects shall be to assist the developing areas to achieve equitable growth, and thereby continued reduction in poverty, through assisting the poor in developing their various latent capabilities and by providing an environment in which those capabilities can be demonstrated.

(b) Sustainable economic growth

JICA will formulate and implement exemplary projects that support sustainable growth, in such fields as infrastructure and investment climate development (including legal and regulatory frameworks). Within this process, JICA will implement projects with consideration for disparity-reduction to ensure the benefits of economic growth are shared widely among the population including the poor.

(c) Global issues

JICA will formulate and implement exemplary projects that address global issues such as global warming, infectious diseases, food and energy supplies, and disaster risk management.

(d) Peacebuilding

JICA will provide seamless aid throughout the peacebuilding process, from emergency humanitarian assistance to reconstruction and development. It will also externally communicate its contributions made towards the peacebuilding process with the use of actual cases.

(e) Strengthening operational strategy and management

- JICA will revise its Guidelines on Strengthening the Competitiveness of Cooperation Programs to provide a basis for further progress with its program based approach to development assistance. At the same time, JICA will endeavor to compile a program plan based on the guidelines and create an exemplary program agenda.
- After completion of each program and project, JICA will thoroughly implement a PDCA cycle including ex-post monitoring and follow-up activities. It will also strive to enhance the visibility of the progress and results of each project through disclosure.
- JICA will promote the use of ex-post evaluation result assessments as feedback for implementation of operations.
- JICA will strive to improve the quality of its capacity development projects by raising the awareness of related personnel through accumulating and sharing examples of exemplary projects.
- JICA will formulate a Fiscal 2012 Triangular Cooperation Measures Policy (temporary title). Moreover, in accordance with the policy, it will seek to formulate and implement higher quality triangular cooperation projects. JICA will accumulate and organize shareable information on exemplary projects and establish a consultative framework during the planning of the project at which the information shall be shared.

(2) Reinforcing project formulation and external communication skills

(a) Reinforcing project formulation skills

- To properly understand the background and conditions surrounding development issues in developing countries, JICA will produce country analysis papers on a total of 34 countries.
- Based on the program agenda for each fiscal year, JICA will formulate regional program policies.

- To formulate strategic projects, JICA will conduct measures to strengthen its expertise as an aid agency by accumulating knowledge through dialogues with governments as well as implementing projects and by formulating and updating issues and guidelines for individual fields on a rolling basis.

- JICA will actively participate in the operations of country-based ODA Task Forces, sharing knowledge gained from discussions with JICA experts, volunteers, Japanese companies, NGOs and other organizations or knowledge, experience and information that shall contribute to solving issues.

(b) Research

Continuing to leverage its accumulated knowledge, JICA's basic research stance shall be joint research to cooperate with its research networks in Japan and overseas. As such, JICA will promote research that meets international standards and contribute feedback to its assistance programs as well as to the formation of international trends of development assistance. In conjunction with these efforts, JICA will disseminate its research outputs through working papers and books and other documents in English and Japanese. It will also strengthen its research information transmission by hosting international symposiums and seminars and by expanding related content on its website.

(3) Measures concerning implementing projects

(a) Technical Cooperation, Loan Assistance and Grant Aid

(i) Technical Cooperation

- JICA will appropriately and promptly formulate and implement Technical Cooperation to support developing countries and regions to solve their issues focusing on human resources development, development plan formulation, policy formulation, and institutional development. JICA will formulate and implement Training and Dialogue Programs based on the cooperation program recorded in the Rolling Plan. Moreover, the lessons learned from systematic reviews after the completion of training programs shall be reflected in operations.
- JICA will consider revision if necessary, on Technical Cooperation Manual (revised in fiscal 2011), and conduct internal survey while working to achieve consistency between the workflow and the office reference materials.
- JICA will utilize project case study results and conduct training to improve project management skills for staff members, experts and other project-related personnel.

(ii) Loan Assistance

- JICA will appropriately and promptly formulate and implement Loan Assistance projects to support developing countries and regions to solve their issues centering on economic growth and assisting them to become economically self-sufficient.
- JICA will initiate macroeconomics debt sustainability, and other surveys, and utilize the knowledge gained through these surveys in formulation, appraisal and supervision of Japanese ODA Loans. In addition, JICA will provide training programs on financial and economic analysis and others to improve our staff members' appraisal and supervision capabilities.
- JICA will improve its operational systems with the Japanese government to enable even faster ODA, in order to formulate and implement projects that provide high impact development outcomes.
- JICA will confer with the Japanese government on a new ODA loan system that features high priority in Japanese policy and meets the needs of developing countries. Discussion shall include such policies as reducing the exchange rate risk for borrowing countries. In parallel with those efforts, JICA will also revise as necessary the operating flow, procedures, and other parts of the current system, and reflect those changes in its operations execution reference materials and manuals.
- For private sector investment finance, JICA will establish project implementation, risk assessment and supervision systems, reflecting lessons learned from its pilot approach and strive to formulate and implement new projects that have significant development benefits.

(iii) Grant Aid

- JICA will appropriately and promptly formulate and implement Grant Aid projects to assist developing countries and regions to solve their issues. In addition, it will accumulate and analyze the results of project formulation and execution and reflect them in the next annual plan.
- JICA will carry out staff member training, perform surveys and produce manuals with the aim of improving the implementation of Grant Aid and related development outcomes.
- JICA will closely examine the specifications for buildings and equipment and materials and the construction period of Grant Aid projects to provide feedback from the lessons learned from past projects. It will appropriately reflect these lessons in the formulation of new projects and supervision of ongoing projects.
- JICA will analyze the results of trial introductions of improvements in bidding and contract systems and preliminary expenses (if measures have been introduced on a full-scale basis, JICA will review and upgrade measures). These actions are being taken to promote the participation of companies and to enhance competitiveness in the Grant Aid process.
- While responding to Japan's political agenda flexibly and accurately, JICA will improve its oversight of operations and procedures to ensure that measures to promote its program based approach and the feedback of lessons learned from past projects are properly reflected in the Grant Aid system.

(b) Disaster relief and other cooperation

- When a major disaster occurs, JICA will accurately analyze the needs of the affected country using various information sources and cooperate with aid agencies in other countries to quickly and effectively provide the proper scale and type of disaster relief combining all possible methods. It will also review its efforts after implementation and reflect the lessons learned to its next disaster relief mission.
- JICA will train personnel and prepare equipment and supplies for dispatching surgery capable medical teams. Moreover, JICA will consider acquiring such skills as providing hospital ward. The Japan Disaster Relief Team will upgrade its training quality to maintain an internationally recognized standard for disaster relief. As for provision of equipment and supplies, JICA will determine the adequateness of supply provision situation and stockpiling, including use of the United Nations Humanitarian Response Depot (UNHRD) operated by the World Food Programme (WFP), seeking to optimize speed and cost-effectiveness of emergency supply aid. Furthermore, JICA will take measures to make sure that people receiving emergency supplies in disaster-stricken countries recognize that the emergency supplies are from Japan.
- In ordinary situations, JICA will proactively participate in and contribute to international disaster relief framework such as the United Nation's International Search and Rescue Advisory Group (INSARAG). JICA will maintain its network with related organizations and effectively share information and coordinate relief at disaster sites in an emergency situation.

(c) Program for support for Japanese emigrants and their descendants (*Nikkei*)

- Based on Japanese government policy, JICA will provide effective and efficient assistance to emigrant organizations. In providing this development assistance, JICA will monitor how well emigrants have settled in their new location and prioritize welfare aid for older people and human resources development.
- Loans made to emigrants shall be properly collected according to repayment schedules.
- JICA will investigate obligation details of each country and appropriately categorize them in order to examine the measures to complete loan management operations.
- JICA will efficiently implement training programs for Japanese emigrants and their descendants (*Nikkei*) while downsizing these programs.
- JICA will share information with the Japan Foundation on the status and needs of heritage language training for *Nikkei*.
- The Japanese Overseas Migration Museum shall continue to take measures to enhance awareness among Japanese citizens about overseas migration history and present situation of *Nikkei* communities.

These measures shall include development of information materials on overseas migrations and *Nikkei* communities, implementation of research, expansion and improvement of museum displays, usage of educational materials, and collaboration with regional organizations. The goals of the museum for the fiscal year are to welcome over 30,000 visitors, have over 1,894 people participate in its educational program, and achieve over 113,182 accesses of the Japanese Overseas Migration Museum website.

(4) Fostering of human resources for international cooperation operations (Training and securing human resources)

- JICA will proceed with measures to expand services for people seeking careers in international cooperation, to discover new categories of participants by expanding its collaboration efforts other than international cooperation organizations and attract registrations by new organizations. JICA will endeavor to attain the registration of 1,500 new individuals and 65 new organizations and increase the number of cases of information inquiry responses by 200 compared with the previous fiscal year on the International Cooperation Career website (PARTNER) of the Human Resources Information Center for International Cooperation. Moreover, JICA will simplify the registration and application procedures for people seeking careers in international cooperation. For organizations, it will work to upgrade the human resource browsing function and to improve the convenience of its services.
- JICA will carry out training programs while adjusting them as necessary in order to meet diverse development needs. It will hold a capacity enhancement training course for immediately deployable personnel with the potential to act as experts with a goal of 270 course participants.
- Aiming to expand the scope of people involved with international cooperation, JICA will steadily implement its current internship program for students majoring in fields related to international cooperation and development assistance. Its goal shall be to accept approximately 30 interns.

(5) Promote the understanding and participation of the Japanese citizens

(a) Volunteer programs

- For the purpose of implementing programs that contribute to solving development issues, JICA will be introducing full-scale volunteer group dispatching in its planning of volunteers dispatch for fiscal 2012. In addition, by formulating projects along the lines of development issues, JICA will increase the ratio of matching the development needs of volunteers, particularly Senior Volunteers.
- JICA will participate in international conferences on volunteer activities, hold discussions with international and other organizations and cooperate with others in the field to enhance the quality of the program through collaboration with other programs and organizations.
- JICA will upgrade the content of its website on volunteer activities and hold symposiums and other events to promote the "visibility" of its volunteer activities.
- To support towards activities by volunteers who are on assignment in the field, JICA will strengthen its assistance with the formulation of their activity plans and its monitoring of the progress of their activities.
- Moreover, to encourage the participation from a variety of fields, JICA will introduce and implement on a full-scale basis volunteer activities in collaboration with the private sector. It will also promote volunteer activities in collaborations with Japanese local governments and universities.
- JICA will take steps to further improve selection, training and studies. It will upgrade the Senior Volunteer registration system and begin holding some of its second round selections in regional areas. Furthermore, JICA will decide on the new training and study programs for Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers scheduled for introduction in fiscal 2013.
- JICA will reinforce its indirect support for returned volunteers in passing on their experience to society and to furthering their careers. It will increase the number of information meetings held for companies and local governments to four annually. It will also strengthen assistance with returned volunteers' career paths by establishing and operating a career assistance information website and by taking other measures.

Furthermore, JICA will collect and disseminate positive examples of returned volunteers who continued activities that benefit society and will formulate a proposal for training after returning to Japan and other assistance measures.

(b) Citizen participatory cooperation

- JICA will renew necessary information on its website on countries eligible for development projects to support the activities of NGOs and other citizen participatory cooperation organizations.
- JICA will hold information meetings for involved organizations at the commencement of JICA Partnership Programs in order to ensure the smooth start and implementation of the project. In addition, it will hold an implementation planning meeting that shall continue to review the plan post-onset and also strive to make a conclusive assessment of the project at completion.
- JICA will hold meetings of the JICA Partnership Programs, which conduct discussions on areas of cooperation between NGOs and JICA, and strive to implement the necessary measures gleaned from those discussions.
- At JICA Global Plaza, JICA will provide assistance services for various independent attempts at international cooperation in its authorized regions. In addition, JICA will assemble and disseminate information on NGOs, companies, citizens and others, creating opportunities for those interested in international cooperation to network. JICA's goals for these activities shall be to increase the number of cases of providing information by 10% year on year and to improve the degree of satisfaction of those using its information services. JICA will implement a user satisfaction survey and aim to achieve ratings of 4 or better on a 1-to-5 escalating scale of satisfaction in 70% or greater of the responses.
- JICA will aim for effective implementation of its development education programs through collaboration with NGOs, academic institutions, local governments and other organizations. It will enhance the capacity of personnel conducting development education as well as improve the content of each program and other measures. Based on these efforts, JICA will target pushing the number of accesses of its development education website to above 100,000 by improving and expanding content and have more than 3,500 people complete training courses for development education.
- JICA will pursue different types of programs and improve their content with the goal of reinforcing the organizations of NGOs and other organizations that aim to conduct international cooperation activities and to boost their operational capacity.

(c) Public relations

(i) Communicating information on ODA activities

Based on its public relations strategy, JICA will conduct effectively as one of its core activities, general public relations and specialized public relations targeting influential individuals, the media, and other opinion leaders that communicate the significance of international cooperation and the background issues in an easy to understand manner to a broad range of Japanese citizens. The goal of these activities shall be to promote the Japanese public's trust, understanding and empathy and participation in international cooperation as well as understanding of Japan's ODA programs in developing areas. When carrying out public relations activities, JICA will strengthen its comprehensive external communications, including the use of new media and other measures, keeping especially in mind the promotion of citizen participation and the improvement of the visibility of its operations.

(ii) Increasing the visibility of ODA (enhancing transparency)

JICA will enhance its disclosure of information, thoroughly pursuing visibility of its activities through a website that systematically provide information on ODA projects.

(6) Reinforce JICA's role as a "node" for a variety of associated entities

- (a) Collaboration with NGOs, private sector companies and other variety of associated entities
- In order to strengthen its cooperation with NGOs and other associated entities, JICA will continue to hold collaboration meetings with NGOs.

Moreover, it will reinforce its cooperation with the private sector by implementing follow up sessions for trainees, partnership seminars, and other measures for operations that contribute to overseas development assistance for small and medium-sized enterprises (SME).

- For the purpose of reinforcing its role as a "node" for a variety of associated entities, JICA will expand its program of holding various conferences with educational institutions and local governments to pursue collaboration.
- JICA will establish systems to promote collaboration with the private sector and steadily implement related activities. It also will strengthen its external communications about its collaboration with the private sector and determine needs in the market.
- JICA will promote the formation of projects that leverage the knowledge, technology capabilities, and capital cooperation of the private sector. It will also promote the formation of projects where JICA assistance leads to the start up of private sector businesses.

(b) Contribution to Japan's leadership in the international community

- Mutually sharing operational strategy for countries, regions and sectors and measures of solving development issues with international organizations and bilateral donors, JICA will disseminate information and promote aid collaboration in the formation of international trends for development assistance and development assistance policies for countries, regions and sectors.
- Utilizing bilateral meetings and international conferences as forums, JICA will encourage discussions with emerging donors and seek to share operational strategies and development assistance experiences and approaches with others and to pursue triangular cooperation.
- JICA will mutually share operational strategy for countries, regions and sectors and measures of solving development issues through meetings with international organizations and bilateral donors. It also will promote collaboration with international agencies and other institutions on individual programs and projects.

(7) Cross-cutting issues in JICA's operations

(a) Environmental and social considerations

- Operating in accordance with its Guidelines for Environmental and Social Considerations, JICA will conduct surveys on environmental and social considerations and confirm monitoring results with support from external experts.
- JICA will carry out training of staff members of headquarters and overseas offices, experts, consultants, staff members of counterparty governments and others regarding its Guidelines for Environmental and Social Considerations.

(b) Gender equality

- JICA will continue to share information regarding good examples of gender mainstreaming measures with the goal of promoting gender equality in the operations of all sections. Moreover, to ensure that the implementation of projects appropriately put together from a gender mainstreaming point of view is managed and that activities are carried out, JICA will continue to hold gender equality lectures for staff members, experts, external personnel and others.
- By monitoring priority projects, JICA will determine good examples of gender mainstreaming, extract lessons and provide feedback for its operations.

(c) Operations evaluation

- JICA will redouble its efforts to promote steady ex-post evaluations of operations and garner suitable recommendations and lessons. Furthermore, it will designate special evaluation themes for projects that seem likely to provide valuable lessons and broadly distribute the lessons learned from more detailed analysis within JICA.
- In addition to producing and making public its annual operations evaluation report in an easy-to-understand format, JICA will promptly also make it available on its website. Moreover, it will improve the capability of searching for this information by increasing the number of postings of evaluation reports and evaluation result tables for individual operations on the website.

- On a program-basis, JICA will promote setting outcome indicators and utilizing lessons learned at the ex-ante stage when carrying out operations. JICA will widely share within its own organization information on the implementation and results of impact evaluations used to measure in great detail the impact of the project's outcome.

(d) Reinforced safety measures

- JICA will ensure a steady implementation of safety measure orientations for related personnel before deployment and continue to carry out safety measures during their deployment.
- For projects that include construction of facilities, JICA will take measures to make sure that the governments and executing bodies of the developing country, consultants, and contractors rigorously implement safety measures and to strengthen the mechanism to support these organizations when their measures are inadequate. Those measures shall include producing execution reference manuals, compiling external-use explanation materials and organizing systematic improvement measures for each stage of a project of the different assistance methods (Technical Cooperation, ODA Loans and Grant Aid). In addition, JICA will conduct safety measure seminars, dispatch experts and other personnel, and provide advice and take other safety related action.

(e) Unless there is a justifiable reason not to do so, JICA will immediately take measures requested by the Minister for Foreign Affairs based on Article 40 of the Act of the Incorporated Administrative Agency-Japan International Cooperation Agency.

2 Measures to be taken toward achievement of the objectives related to increased efficiency in operations management.

(1) Improving flexibility in organizational management

- JICA will review its organizational structure at headquarters, including streamlining its headquarters. The review shall aim to enable it to promptly and properly respond to the assistance needs of each region and country and to operate strategically and effectively.
- JICA will perform necessary reviews to achieve the appropriate allocation of the overseas offices. In doing so, it will keep in mind changes in international circumstances, such as the political, economic and security conditions in developing regions, the duration of the project and the security conditions required by long stayers. Moreover, JICA will identify issues including the preservation of the legal status of overseas offices and personnel and the application of governance for financial operations involved with Loan Assistance, and individually consider the functional integration of overseas offices, and reach a conclusion by the summer of 2012.
- JICA will take steps to strengthen overseas on-site functions through such measures as reinforcing training for national staff members and revising its operational implementation system.
- In revising its domestic offices, JICA will relocate the functions of JICA Global Plaza at Hiroo to other facility. In addition, JICA will organizationally and physically integrate Osaka International Center and Hyogo International Center, restarting operations under a new system as the Kansai International Center. Moreover, JICA will organizationally integrate the Sapporo International Center and Obihiro International Center, commencing operations under a new system as the Hokkaido International Center.
- JICA will promote the greater use of its facilities by strengthening its collaborations with a variety of partners, such as private sector companies, NGOs, local governments and universities (including the conclusion of collaboration agreements). Through these measures, JICA will aim to achieve a goal of approximately 470,000 users of its domestic bases.

(2) Proper and fair organization and operations

(a) Increasing competitiveness and transparency in contracts

- From the standpoint of forming proper contractual agreements, including making them more competitive, JICA will implement measures to reduce single-party bids and applications. It will conduct monitoring and analysis of the performance of contracts on a regular basis

and implement continuous inspections by the Contract Surveillance Committee. JICA will also make efforts to improve the methods of providing information for new participants, such as JICA's website and other channels. As measures to further improve the contract procedure for consultants and others, JICA will review, make public and disseminate its oversight and inspection guidelines; hold dialogues with companies through information meetings on its procurement system and other venues; review the performance evaluations of consultants and others; and monitor experiments with comprehensive evaluation bidding methods.

- In terms of forming proper contractual agreements, including making them more competitive, for a non-competitive single tender contract, JICA will monitor performance status and reflect results in its guidelines as well as conducting continuous inspections.
- With a view to further enhancing the transparency of contracts, JICA will continue to implement the measures employed to establish them. It will make its selection process, selection standards, selection results, contracts with companies that have certain relationships with JICA and other aspects of contractual transactions available to the public. In addition, it will continue to establish the practice of having independent parties check the contacts of consultants and others.
- In order to properly implement operations, JICA will continue such measures as random inspections of subcontracting agreements regarding the contracts of consultants and others. It will appropriately investigate all information regarding fraud and other improper behavior and deal strictly with any cases of fraud or improper behavior discovered.
- Contracts with associated public-service corporations will be awarded, in principle, based on competitive open bidding. Non-competitive single tender contracts shall be limited to unavoidable cases. In addition, JICA will proceed with measures to reduce single-party bids and applications. Moreover, it will aim at creating greater transparency by publicly announcing contracts with companies that have certain relationships with JICA.

(b) Improving governance and transparency

- JICA will appropriately conduct internal audits and take steps to reinforce its internal control system.
- JICA will formulate concrete measures to deal with issues pointed out by the auditors and audits and follow up by monitoring conditions.
- JICA will work to maintain and improve its internal control environment based on risk monitoring conducted utilizing the annual operation plan of each section. In addition, to control the overall risk exposure of the organization, JICA will regularly hold a variety of committees related risk management and feedback the results of those meetings and related risk measures to be taken to all sections. Through these and other actions, JICA will reinforce its internal control system, including control of the inherent risks of financing operations.
- JICA will continue to take steps to make its whistle-blowing system known throughout the organization, and deal appropriately with notices received.
- To improve the security of information management, JICA will execute suitable information security measures in line with the Information Security Strategy to Protect the Public and other government policies.
- JICA will perform evaluations of performance executed under the annual plan with the participation of external specialists. The results of evaluations shall be distributed throughout JICA's organization and reflected in future operations.
- JICA will consider establishing a system for incorporating proposals for improving operations from experts, volunteers, commissioned organizations, and others.

(c) Streamlined and appropriate administrative operations

- JICA will streamline and simplify administrative operations. This process shall include such measures as the standardization of the various forms of general contracts, simplification of a portion of the selection procedures for contracts with consultants and others and introduction of an electronic bidding system.
- To procure materials more efficiently, JICA will introduce a new

procurement system and encourage its firm establishment. In addition, it will review the contract information that it collects and compiles and consider its collecting system for contract information in order to manage contract information more efficiently.

- JICA will set up a suitable framework for procurement activities at overseas offices. It will produce a guide for service provision contract (with local consultants), construction contracts, and other contracts and disseminate these procedures and systematically dispatch short-term assistant for overseas procurement.
- JICA will determine issues that must be addressed to further improve the efficiency of the process of dispatching experts and others. In addition, it will adjust the relationship between the travel and dispatch allowance systems. JICA will also investigate the travel and dispatch allowance systems with regard to their contribution to further improvement of the dispatching procedure.
- Based on the Kansuin System Administrative and System Optimization Plan announced in fiscal 2010, JICA will improve the efficiency of the process of accepting trainees by introducing and using a new Kansuin System.
- JICA will carry out a review to achieve further rationalization of the efficiency of procedures for dispatching volunteers, and produce a manual and take other actions based on that review.

(3) More efficient utilization of costs, appropriate salary levels, etc., suitable review of assets

(a) More efficient utilization of costs

While preserving the quality of operations, JICA will aim to improve the efficiency of management grants operations by at least 1.4% in each fiscal year with regard to total general administrative and operating expenses (except special operating expenses and one-time items). Measures to reach this target shall include a proper and stringent review of payments and other benefits for experts, project formulation advisors, overseas health management personnel and others; controlling payments to volunteers; and cutting fixed and other costs. These efficiency measures shall not apply to personnel expenses, which are provided for in the next section.

(b) Appropriate salary levels, etc.

JICA will take actions to determine appropriate salary levels in accordance with a plan and make a public announcement of the results of its salary examination and its initiatives. In addition, JICA will implement appropriate measures regarding total personnel expenses, taking into account the policy of the Japanese government. JICA will proceed with reviewing work allowances provided to personnel sent overseas with reference to such allowances given to employees of the Japanese government, private sector companies and other organizations.

(c) Suitable review of assets

JICA will continue to disclose detailed information about its assets. In conjunction with those efforts, JICA will review its assets and consider the necessity of holding them. For employee housing, it will take appropriate actions that are consistent with the government's policy for the review of employee housing at incorporated administrative agencies. JICA also will continue to consider effective ways to utilize its portion of the Takebashi Godo Building.

3 Budget (including estimation of personnel costs), income and revenue planning, capital planning (except accounts for finance and investment)

- From the perspective of achieving further transparency in its financial affairs, JICA will consider and prepare to introduce improvements to the disclosure method for segment information on financial statements for its fiscal 2012.
- JICA will continue to work on securing its own revenues and properly managing and using those revenues.

4 Short-term loan ceilings

General Account: ¥62.0 billion

Finance and Investment Account: ¥220.0 billion

Reasons: The General Account requires loans to avoid late payments of personnel expenses to staff members and operational expenses in the event of an approximately 3 month delay in the receipt of management grants from the Japanese government.

The Finance and Investment Account requires loans to deal quickly and efficiently with events such as short-term funding gaps involving short-term loan repayments and the collection of loans receivable, temporary funding when FILP agency bonds are issued, rapid changes in the amount of loans extended, and other events.

5 Plan for disposing of assets that are unnecessary or expected to become unnecessary

JICA will sell 34 units of some condominiums used for employee housing. It will reimburse the Japanese government for these assets by paying an amount calculated using the standard prescribed by the supervising Cabinet minister but limited to the actual proceeds of these sales. Among other assets, JICA will either sell or transfer the property of Osaka International Center to the Japanese government by the end of fiscal 2012 and proceed with plans to dispose of JICA Global Plaza at Hiroo.

6 Use of surplus funds (except the account for Japanese ODA Loans)

If there is a surplus, these funds are used for operations, facilities and equipment that can improve JICA's programs while taking into account the progress of Mid-term Plan.

7 Other items related to operations management stipulated by ordinances of the competent ministry

(1) Facilities and equipment

JICA will conduct engineering and seismic diagnoses of the facilities of domestic offices and others.

(2) Personnel planning

- Working to continue and improve training programs for personnel evaluators, JICA will appropriately implement annual evaluations of staff members' work performance and appropriately reflect the previous fiscal year's evaluation results in their benefits and compensation.
- JICA will allocate its human resources properly according to skill and project needs in order to improve the effectiveness and efficiency of its operations and to further strengthen its overseas organization.
- JICA will establish a consultation system related to the development of the careers of staff members. It will also continue and improve its measures to provide career level based training and differently categories of specialist training, including the placement of staff members in international and other organizations.
- JICA will continue its measures to support staff members on overseas assignments and their families. It will also make these measures more specific.

(3) Matters related to the disposal of reserve funds and the handling of assets obtained from the collection of loan payments

- When reserve funds remain after the procedure prescribed in Article 44 of the Act on General Rules for Incorporated Administrative Agency, the portion of this amount approved by the supervising Cabinet minister can be used as follows: for contracts (except Loan Assistance operations) where liabilities exceed the Mid-term Objectives period due to unavoidable circumstances in the immediately preceding Mid-term Plan; for accounting treatment concerning the amount that affects profits and losses in the account for transitional functions, etc. that were recorded during the previous Mid-term Objectives period; and for other cases.
- Recovered claims or other funds received during the previous Mid-term Objectives period shall be submitted to the Japanese government in an appropriate manner based on the Act for the Incorporated Administrative Agency-Japan International Cooperation Agency.