

# Private Sector Development / Energy and Mining / Governance

Achieving Sustainable Growth and Democratic and Fair Societies in Developing Countries



Of the eight Millennium Development Goals (MDGs), relevant goals are shown in color.

JICA assists developing countries with building up their private sectors, which serve as an engine for economic growth. While focusing on trade and investment promotion, small and medium-sized enterprises (SMEs) development, the vitalization of local industry and economy, and tourism development, JICA provides broad-ranging assistance to develop industrial infrastructure, including support for the stable supply of electric power, improvement of electricity access,

promotion of low-carbon energy, etc.

JICA also strives to strengthen governance through its cooperation in establishing legal and judicial frameworks, making government more efficient and transparent, improving the administrative capacity of local government and strengthening fiscal and monetary management. Through these activities, JICA is promoting sustainable growth as well as democratic and fair societies in developing countries.

## Private Sector Development

The private sector serves as the driving force for economic growth in developing countries. Strong and comprehensive economic growth can be realized when private companies in various fields, including SMEs, achieve dynamic growth and development and create higher added value.

The Yokohama Declaration 2013 that was adopted at the Fifth Tokyo International Conference on African Development (TICAD V) in 2013 focused on the theme “Promoting Private Sector-Led Growth.” Assistance measures by the Japanese government also include Boosting Economic Growth (private sector and trade/investment).

Responding to the increasing importance of developing countries in the world economy, Japanese companies, particularly manufacturers, have actively established operations in developing countries in recent years by finding new markets and opening manufacturing bases in those areas. Through further reinforcement of collaboration with those companies, JICA focuses on realizing more effective development support and contributing to enhancing the mutually beneficial economic relations between Japan and those countries.

### ● Overview of the Issue and JICA Activities

While a wide range of factors, including macroeconomic stability, infrastructure development, and improved basic education, constitute important elements of private-sector development, JICA focuses on the following fields: (1) developing policies and institutions for improving the business environment; (2) promoting trade and investment; (3) improving the competitiveness of local companies; and (4) promoting local economies and industries.

#### 1. Developing Policies and Institutions for Improving the Business Environment

JICA assists with policy and institutional development so that developing countries will be able to achieve an environment

conducive to the activities of private companies and realize the development of industries that serve as an engine for development.

#### (1) Industrial Promotion Policy

Industrial promotion policy is a principal pillar for national development in developing countries. JICA’s assistance in drawing up industrial policies focuses on various aspects — promoting trade and investment, improving the competitiveness of local companies, or promoting local economies and industries — depending on the situation in the partner country.

In fiscal 2014, JICA continued supporting the industrial policy planning process of Ethiopia by holding industrial policy dialogue with the prime minister and other decision-makers. It also dispatched experts to Timor-Leste to assist in drafting industrial policy documents and to Cambodia to assist in developing a basic framework for an SME promotion policy. In Myanmar, JICA also provided training for government administrators in charge of industrial promotion to bolster policy implementation structures.

#### (2) Developing Business Laws and Institutions

JICA assists with the development and operational improvement of legislative and institutional infrastructure for business activities, including economic laws such as the enterprise law and the competition law, intellectual property systems, standards and conformity assessment systems (standardization, certification, and measurement standards), tax administration, and financial systems.

For example, JICA has sent experts to Indonesia, Viet Nam, and Myanmar for assisting in building the systems for protecting intellectual property rights such as patents and trademarks.

### 2. Promoting Trade and Investment

The field of trade and investment focuses on benefitting from economic globalization.

#### (1) Promoting Investment

In direct investment in 2014, 55.5% of investment went to emerging and developing countries; thus, developing countries are becoming even more attractive as an investment destination

for foreign companies. There are moves on the part of developing countries to take advantage of foreign direct investment (FDI) as an engine for economic growth and to promote domestic industries by developing supply chains in cooperation with foreign companies.

To attract FDI, developing countries need to address two challenges: (1) “improvement of the investment environment” by, for example, streamlining investment procedures and removing barriers to investment; and (2) “enhancement of investment promotion functions,” including active dissemination of investment opportunities information. JICA dispatches investment promotion advisors mainly to Asian and African countries to help them address these challenges.

In recent years, the development of special economic zones and industrial parks in developing countries is drawing attention. Such zones and parks are designed to offer an attractive investment environment — intensively built infrastructure, preferential treatment, and accessible services — so that foreign companies will use them as a foothold for their operations in these countries. In fiscal 2014, JICA launched assistance to support capacity development for the Thilawa Special Economic Zone (SEZ) Management Committee in Myanmar as well as the formulation of SEZ development plans and capacity development for the implementing agency in Bangladesh [→ see the Case Study below].

In India and other countries, JICA is also engaged in improving the investment environment under its development policy loan program, which is aimed at reforming and improving the policies and institutions of developing countries’ governments.

### (2) Promoting Trade

Imports and exports of emerging and developing countries account for 40.3% in export value and 39.6% in import value of total global trade in 2013. It is obvious that trade plays an important role in economic development in developing countries.

For furthering trade, it is essential to simplify and facilitate

trade-related procedures, including customs, as well as to improve access to foreign markets by companies in developing countries.

JICA provided support for facilitating trade procedures by modernizing customs in Viet Nam and Myanmar. It also supported functional improvement of the Directorate General for National Export Development, Ministry of Trade in Indonesia. In fiscal 2014, JICA launched a project in Ethiopia aimed at promoting the branding of local products to differentiate them from competing products.

### 3. Improving the Competitiveness of Local Companies

JICA is engaged in strengthening support services for companies and developing industrial human resources to improve the competitiveness of local companies, especially SMEs, which account for the predominant proportion, that support economic growth in developing countries.

#### (1) Strengthening Support Services for Companies

From the point of view of heightening the competitiveness of companies, assistance could be provided addressing management resources within companies: labor, technology, capital, and information. Because assistance in these areas, which is aimed mainly at SMEs, tends to be provided through intermediary public/private support organizations, much of JICA’s assistance targets improving the functions of these support organizations.

In fiscal 2014, JICA helped with the development of SME support systems in many countries. For example, it assisted both in strengthening SME support networks in Thailand and in introducing an SME mentor system in three Balkan states — Serbia, Bosnia and Herzegovina, and Montenegro. In Indonesia and the Philippines, JICA’s support for groups of enterprises/producers, such as industrial clusters, contributed to capacity development, improved coordination, and better performance.

JICA is also spreading the use of *Kaizen* methodologies for quality and productivity improvement, one of the areas of Japan’s

#### Case Study

### Myanmar: The Project for Capacity Building of Thilawa SEZ Management Committee

#### Supporting Expedient Investment Procedures with an Efficient One-Stop Service

**In the Thilawa Special Economic Zone (SEZ) in Myanmar, which is set to start operations in autumn 2015, efforts have been made to speed up the processes of obtaining an investment permit as well as building and environmental permits and licenses through a one-stop service. These efforts are highly valued by foreign companies operating in the country.**

#### Investment Permits Already Granted to 36 Companies

The Thilawa SEZ is a public-private project being undertaken by the governments of Japan and Myanmar. To support this SEZ, JICA has been extending comprehensive assistance that combines various ODA schemes, including Private-Sector Investment Finance, ODA Loans, Grant Aid, and Technical Cooperation.

In September 2014, JICA started the project to launch the SEZ Management Committee and the One Stop Service Center (OSSC) smoothly and to operate and manage the

SEZ effectively. In November 2014, the first investment permit was granted to a Japanese SME. By June 2015, a total of 36 companies were granted investment permits and 11 of them commenced construction work. Officials from nine government offices concerned are working at the OSSC to streamline the processes of obtaining permits and licenses.

The track record shows that it takes two to three weeks on average to complete the procedures for obtaining an investment permit after an application is accepted. The OSSC handles all the procedures, including receiving



The first investment permit granted to the representative of a Japanese company

and processing applications for company registration, visas, and residence permits.

The system for speeding up the investment procedures and one-stop services are nearing completion through these activities, attracting high marks from Japanese companies and other investors.

greatest competency. In consideration of TICAD V, this effort has been strengthened especially in Africa. JICA provided cooperation for private sector development in Ethiopia, Ghana, Tanzania and Zambia in 2014, pursuing further mutual collaboration in this field.

## (2) Developing Industrial Human Resources

Assistance for developing industrial human resources focuses on measures to boost the competitiveness of companies utilizing Japan's know-how in this area. JICA cooperates with government institutions, educational institutions, and other entities in various countries that provide such support for human resources development. The goal of the cooperation is to enable companies to acquire and improve the know-how necessary for business activities, such as business and production management and manufacturing technology.

The results of this type of cooperation can mutually benefit both the developing country and Japan. It contributes to the development of the manufacturing industry in the developing country and to the business activities of Japanese companies operating locally. For example, JICA shares Japanese manufacturing techniques with India and assists in nurturing potential leaders who will play a central role in achieving sustainable development of the manufacturing industry. As visionary leaders, they are expected to play a leading role in developing Indian industries and serve as business partners for Japanese companies who understand Japanese ways of thinking. This will likely help expand business between the two countries.

Particularly notable in this field are the Japan Centers for Human Resources Development (Japan Centers). JICA is establishing Japan Centers in Cambodia, Laos, Myanmar, Viet Nam, Mongolia, Kazakhstan, the Kyrgyz Republic, Uzbekistan, and Ukraine as focal points for its efforts in nurturing industrial human resources in developing countries. Through the Business Training Programs that form the core of their operations, the Japan Centers nurture human resources that are specialized in Japanese-style management and production management methods. In recent years, alumni reunions actively work on creating networks among the local industrial workforce. Utilizing the know-how and networks built up over the many years of the Business Training Programs, JICA is also providing support and cooperation to Japanese companies doing business in these local markets.

## 4. Promoting Local Economies and Industries

As the economies of developing countries grow, regional disparities have become a major issue in an increasing number of developing countries. In order to spread the benefits of economic growth widely to local residents, JICA supports industrial development benefitting local areas by effectively utilizing the special characteristics and resources of local areas.

In many countries, including Malawi, the Kyrgyz Republic, Colombia, and Kenya, for example, JICA helps create a system whereby small enterprises that produce processed agricultural products and handicrafts and their associations can expand their business on their own. Specifically, JICA assists in developing a mechanism for providing guidance and advice on various issues such as basic business knowledge (accounting, etc.), exploration and utilization of local resources, improvement of quality and

productivity, food sanitation, packaging/design, and marketing/sales promotion. This effort contributes to creating attractive products.

JICA cooperates in the tourism field in countries, such as Mozambique and Bosnia and Herzegovina, by providing assistance for coordinated efforts and collaboration by the public and private sectors. JICA cooperates with advertising and promotions for targeted tourists and with developing tourism products that make use of the special characteristics of local resources and thus benefit the region. Tourism projects in Jordan and Ethiopia emphasize the concept of preserving, displaying and utilizing the tourism resources including local nature, culture and ways of life, in a sustainable and unified manner with local people. To materialize this concept, JICA is supporting capacity development of public and private stakeholders and strengthening of collaboration among those stakeholders.

## Energy and Mining

Natural resources and energy are not only a risk but an opportunity for developing countries. The key for sophistication of industry in developing countries is to secure stable natural resources and also energy at low cost. In other words, in developing countries with natural resources, the way natural resources are utilized and managed has a great influence on the future of their growth and development. For the international community, including Japan, appropriate supply of natural resources and energy and low-carbonization are also significant issues for economic growth, the global environment, and resources and energy security. JICA is working on energy and mining issues with a focus on contributing to a stable supply of environmentally friendly natural resources and energy at low cost.

### ● Overview of the Issue and JICA Activities

#### 1. Energy

It is estimated that energy consumption by developing countries will expand substantially. At the same time, it is predicted that a large share of energy consumption will inevitably be taken up by fossil fuel, which could be a cause of climate change. While low electrification rate is still a critical issue in developing countries, improving electric power supply and electricity access takes huge investments. The International Energy Agency (IEA) estimates that non-OECD countries need to invest \$10 trillion in the electric power sector in the period up to 2035.

In such a situation, stable securement of low-cost, low-carbon energy is a very important development subject for developing countries to achieve stable social economy and sustainable growth. However, many countries face a lack of necessary techniques, know-how, and funds, and even human resources in charge of policy planning and implementation are limited. Therefore, it is essential for developing countries to obtain sufficient funds and the cooperation from advanced countries with technologies and accumulated experiences and know-hows.

Responding to the issues of the energy and power sector in developing countries, JICA is providing the following assistance, with the concept of "3Ls" policy (i.e., simultaneous attainment

of Low-cost, Low-carbon, and Low-risk).

### (1) Promoting Better Access to Electric Power and

#### More Stable Power Supply by Reinforcing National Grids

For many years, JICA has been committed to achieving better access to electric power and more stable power supply in developing countries by supporting the reinforcement of their national grids. In recent years, JICA has provided assistance for establishing an electricity master plan for Myanmar, which recently has faced rapid democratization and economic growth and required huge assistance in improving electric power supply infrastructure. Tapping into Japan's technical prowess, JICA has been assisting the development of key electric power facilities in partner countries. Such assistance includes (1) support for highly efficient coal-fired power generation in Bangladesh; (2) financial assistance for a gas-fired combined cycle power generation in Uzbekistan; (3) technical cooperation and studies for the introduction of pumped-storage hydropower generation in Sri Lanka and Turkey; and (4) support for the reinforcement of power transmission and distribution networks in Sub-Saharan African countries. Reinforcing and extending national grids will enable stable power supply to a wide range of users, including the poor, thereby contributing to human security.

### (2) Promoting of Low-carbon Power Sources

Japan possesses world-class technology in geothermal power generation, which is renewable energy and stable base-load power sources. JICA provides a wide range of support, from resources development to the construction of geothermal plants in Indonesia, African Great Rift Valley countries that include Kenya, and Latin American countries, and will continue to provide and develop comprehensive support for the technical, infrastructural, scientific, and policy aspects of geothermal power generation [ → see Case Studies on pages 49 and 55].

Small island states, especially those of the Pacific region, depend on imported fuel (diesel) for most of their power supply. Constant high electricity tariffs, however, underscore the urgent need to improve energy security by curtailing fuel consumption. To meet this need, JICA is assisting small island states in developing a “hybrid” grid that is designed to support both more efficient diesel power generation and optimal introduction of renewable energy so that stable power supply and lower fuel consumption will be achieved at the same time. Such a grid development will also contribute to a smaller carbon footprint and better resilience to natural disasters [ → see the Case Study below].

### (3) Pursuing Efficient Use of Energy

JICA has also been providing technical cooperation in promoting energy efficiency on the demand side in the form of energy saving in Viet Nam, Bangladesh, and other countries. In Indonesia and Pakistan, it has been supporting policymaking in this field. Financial assistance for reinforcing power transmission and distribution systems and technical cooperation for strengthening operation and maintenance capacity for the systems in developing countries are also provided, where JICA contributes to energy efficiency by reducing the loss rates of the power supply.

## 2. Mining

In developing countries with substantial natural resource reserves, energy and mining development can produce results in a relatively short time frame compared with development of other industries serving as an engine for economic growth. Mining development also has a tremendous impact on society and the economy through infrastructure and regional development. For the sustainable development of both developing countries and the global economy, it also is extremely important to ensure a stable and sustainable supply of mineral resources from diverse sources by encouraging mining development in many countries.

#### Case Study Pacific Region: Hybrid Islands Initiative

## Assisting Small Island States in Improving Energy with Japan's Knowledge and Technology

**Pacific island countries are faced with two energy challenges: the high risk of fluctuations in the cost of fuel for power generation, and low energy self-sufficiency. To help them address these challenges, JICA is supporting the development of a hybrid grid system that involves making diesel power generation more efficient and introducing renewable energy on an optimal scale.**

### Japan's Technology and Cooperation with the Stakeholders Essential

Many small island states are not endowed with energy resources and are isolated geographically. These countries are heavily dependent on imported diesel fuel for their power supply, which constitutes the foundation for people's lives. High power costs and the risk of fluctuations in oil prices pose a major challenge.

Under these circumstances, small island states have been building their expectations for renewable energy in recent years. Renewable energy is not a panacea, however. While providing an opportunity to increase energy

self-sufficiency and reduce fuel costs, renewable energy has its own weaknesses. For one, power output fluctuates widely according to the weather. Also, excessive dependency on renewable energy may reduce the quality of electric power and destabilize the supply.

The question is how to achieve the two objectives of reducing dependency on diesel power generation and utilizing renewable energy at the same time. To answer this question, JICA launched the Hybrid Islands Initiative, designed to improve energy security in small island states, to coincide with the Pacific Islands Leaders Meeting held in May 2015. To put the initiative into practice, it is essential



A solar power generation facility in Tonga

to work with Japanese stakeholders. JICA has been drawing on the experience of Okinawa, the southernmost island prefecture in Japan, to train the people responsible for power supply in small island states. More recently, progress has been made both in the introduction of power system stabilizers that use Japan's latest technology and in the partnership with Okinawa-based companies. JICA will continue to seek more and better assistance for improving energy security in small island states based on Japan's knowledge and technology.

Against this background, there are many countries with large reserves of natural resources that have a strong desire to develop their mining industry.

A transition from the mineral resource exploration stage to the production stage requires large amounts of capital and advanced technology, which in turn calls for the entry of foreign companies into the mining industry in developing countries. However, many developing countries' governments lack knowledge of how to promote the mining industry or manage corporate activities. They have weaknesses in mining policy, legal systems and frameworks, basic geological information, and infrastructure. Political and social risks, security and conflict risks, and growing "resource nationalism," which tries to impose various regulations on ore exports and mining operations, all point to the essential need for developing countries to develop their own human resources and create employment in the industry. Developing countries are also faced with the challenge of how to translate mining development into national development in the wider context of resource management.

Keeping in mind both extending assistance to developing countries for the previously mentioned mining development issues and Japan's need to secure natural resources, JICA provides cooperation that builds a Win-Win relationship with developing countries. Led by Japan's Ministry of Economy, Trade and Industry (METI), Japan's government-related institutions have formed a coordinated and structured collaborative system (a one-stop organization for securing overseas mining resources) working with JICA, and Japan Oil, Gas and Metals National Corporation (JOGMEC) and other organizations. Within that system, JICA implements technical cooperation and human resource development that especially targets governments of developing countries.

JICA has two objectives in the mining sector: (1) to improve the investment environment in terms of both software and hardware aspects by, for example, strengthening the administrative capacity of developing countries' governments and developing peripheral infrastructure; and (2) to develop human resources. For the second objective, JICA has recently been working with Japanese universities to offer the training program in Japan, popularly known as the "Kizuna Program." The program is aimed both at allowing the participants to build a human network involving Japanese people and at strengthening relations with resource-endowed countries [→ see the **Case Study below**]. Specifically, JICA focuses on four priority areas in the mining sector:

- (1) Assistance for the development of peripheral infrastructure essential to mining development, such as roads, railways, harbors, electric power, and water supply for development of peripheral utilities.
- (2) Assistance involving government planning and formulating policies for legal systems, policies, implementation systems, and basic information compilation necessary for mining development and appropriate mineral resource management.
- (3) Strengthening governments' administrative skills in soliciting private sector investment and implementing sustainable mining development and resource management. Specifically, JICA provides assistance related to supplying basic information necessary for resource exploration and establishing management systems.
- (4) Developing mining pollution control technologies, in cooperation with Japanese universities, as appropriate, and assist with public administration of mine safety and mining environmental management.

#### Case Study **Training Program for Human Resources Development in the Mining Sector (Kizuna Program)**

### **Fostering Kizuna (Bonds of Friendship) between Japan and the World through Human Resources Development**

Japan, which until recently had many operating mines, has vast experience in overcoming mining pollution with technology. The Kizuna Program, launched in March 2014, takes advantage of this technology and experience for the development of mining in developing countries, thereby contributing to stable supply of mineral resources.

#### **Transferring Japan's Experience in Mineral Resources Management to Developing Countries**

For developing countries endowed with such resources, mineral resource development provides a more powerful engine for growth that produces outcomes sooner than the development of other industries does.

There are concerns, however, that if a developing country with inadequate administration systems for mining resources management hastens to develop such resources, its economy may become so dependent on mining that the country will face a number of negative outcomes, including an impediment to the development of other industries, a growing

gap between rich and poor, and local mining pollution. Long-term national development through mining calls for broad-based capacity for mineral resources management that covers everything from regulatory framework development and resources exploration and development to mine safety and mining environmental management — especially with regard to mining pollution — and mine closure.

The Kizuna Program is designed for participants to develop their capacity in such a wide range of aspects, it offers an array of subprograms. They include a program to obtain a master's or doctor's degree from a Japanese university; an internship program; a JICA short-term program, which combines



A coal mine in Mozambique's northwestern Tete province

lectures on mining policy and management with inspection tours to relevant facilities; and an overseas field research program. Support for mining development in developing countries will contribute to stable and sustainable supply of mineral resources to other parts of the world, including Japan. It also is expected to bolster the revitalization of the mining industry and the sustainable growth of the manufacturing industry in Japan.

## Governance

The term “Governance” refers to not only administrative activities, but the overall social system in which the public and private sectors are also involved. Governance becomes the basis for growth and development of developing countries. JICA is supporting various kinds of capacity development activities in the field of legislation, judiciary, administration and finance. Such cooperation is conducted from the perspective of assistance in democratic growth and development in developing countries by sharing universal values, such as freedom, market economy, and rule of law.

### ● Overview of the Issue and JICA Activities

#### 1. Legal and Judicial Frameworks

Since 1996, JICA has been cooperating in (1) establishing and improving the legal framework, and (2) restoring legal and judicial frameworks and developing human resources for economies in transition and in post-conflict countries. Such assistance is delivered based on a peer-to-peer approach and in cooperation with Japanese jurists.

In fiscal 2014, JICA launched new projects in China and Laos. These projects focus on assistance such as establishing basic laws, drafting coherent and systematic legislation, and applying laws that directly improve the business environment. In Viet Nam, JICA conducted a study for a new project that is in close collaboration with frameworks such as the Viet Nam-Japan Joint Initiative. Also in Indonesia, JICA carried out a study for a new project aimed at (1) improving consistency in drafting and examining business-related laws and regulations, including intellectual property laws, and (2) strengthening the framework for protecting intellectual property rights.

In Myanmar, Cambodia, Nepal, and Mongolia, JICA continued its assistance in developing laws and regulations, developing their execution capacity, promoting the mediation system, and improving judicial practice [ → see the Case Study on page 27].

JICA also supported African countries in developing legal

and judicial frameworks. In December 2014, JICA sent a judicial advisor to Cote d'Ivoire to assist in improving access to justice, and developing human resources in criminal justice. This is in line with the TICAD V initiatives and global discussions toward establishing the Sustainable Development Goals.

#### 2. Democratic Systems

JICA extends assistance for a range of measures to strengthen the foundations for democratic rule in developing countries. The assistance covers such measures as improving the capacity of election management committees in order to ensure fair elections, strengthening the functions of parliament, and reinforcing the capacity of the media, which functions as a monitor of the use of power and influence [ → see the Case Study below].

In response to a request from the Cambodian government calling for assistance with election reforms, JICA conducted a feasibility study and offered recommendations for improvement. JICA also invited members of the Supreme Presidential Electoral Commission of Egypt — where parliamentary elections are scheduled for 2015 — to Japan for its training program, aimed at developing election administration capacity.

In Myanmar and Kosovo, JICA made preparations for assistance regarding the media that will start in fiscal 2015.

In addition to these activities, JICA extended full-fledged support for the capacity development of the Office of the National Assembly in Viet Nam. Members and officials of the House of Representatives of Myanmar were invited to Japan and had opportunities to learn about Japan's expertise. Moreover, JICA shared with Ukraine the experiences and achievements, efforts in the development of Japan's democracy as well as challenges to be addressed. A study for a new project aimed at promoting Ukraine's self-help efforts in this area was also conducted.

#### 3. Public Safety

JICA is also committed to supporting developing countries in improving public safety in cooperation with the National Police Agency and prefectural police departments of Japan. Such assistance addresses a number of aspects, including (1) the

#### Case Study

### South Sudan: The Project for Institutional Capacity Development of South Sudan TV and Radio (SSTVR)

#### Supporting the Transformation of SSTVR into a Public Broadcaster in Conflict-Affected Situations

Since fiscal 2012, JICA has been assisting South Sudan TV and Radio, a state-run broadcaster in South Sudan, in becoming a public entity, independent of the government, so as to provide the public with more accurate, neutral, and impartial information.

#### Training in Neighboring Countries amid the Internal Conflict

During fiscal 2014, experts from JICA were unable to enter South Sudan because of the ongoing armed conflict that broke out in December 2013. Nevertheless, JICA continued with the project by providing training in Kenya, Uganda, and other neighboring countries.

Training participants discussed challenges in transforming SSTVR into a public broadcaster and the steps to be taken to address them

and drafted a short-term roadmap for such transformation. In addition, the participants selected for themselves a few topics that serve the public benefit, including agriculture and inter-ethnic reconciliation, and produced short programs on these topics. This allowed them to learn the whole process of production, ranging from proposing a program and drawing a program table to conducting location shooting and editing. The programs thus produced were aired on SSTVR.



A crew from South Sudan TV and Radio at work on location

The participants learned how to propose a news project and produce a news program based on interviews with sources rather than government press releases in order to build their broadcasting capacity. In this way, this project aims to improve the quality of news broadcasting.

democratization of police organizations, (2) *koban* community policing designed to promote crime prevention and deterrence based on trusting relationships with the public, and (3) criminal investigation skills as represented by expertise in criminal identification.

In fiscal 2014, JICA started a project in Brazil that is aimed at disseminating *koban* community policing nationwide. JICA also continued its assistance in institutional and human resources development for promoting civilian community policing in Indonesia, Timor-Leste, and Honduras. The third country training course titled “Community Policing Strategies Evolving from the Koban System of Japan and the NPC System of Singapore,” which JICA has been conducting in Singapore, saw its 20th anniversary in fiscal 2014.

Other training that JICA conducted in collaboration with the National Police Agency during fiscal 2014 included (1) training on forensic science for the Philippines; (2) a seminar for high-ranking police officials of the Democratic Republic of the Congo that introduced an overview of the Japanese police with a focus on its human resources development aspects; (3) local training aimed at developing the basic capacity of police officers in cooperation with the UN Police in Cote d’Ivoire; and (4) training in judo for Afghan police officers conducted in Turkey.

In fiscal 2014, the scope of JICA’s training programs on public safety with attendance from multiple countries was expanded to include cybercrime in addition to international investigations and control of drug offenses.

JICA also conducted a preparatory survey for Grant Aid (provision of equipment) projects on increasing antiterrorism capabilities for Tunisia and Morocco.

#### **4. Public Administration / Public Financial Management / Finance**

Public administration, public financial management, and finance constitute the basis for policy formulation, implementation and economic management in each country. This indicates the need for any donor agency to pay adequate attention to the political and economic background of each partner country and put the country’s reform process into a medium- to long-term perspective, rather than seeking short-term outputs.

In fiscal 2014, JICA extended assistance in these three sectors, as shown below:

##### **(1) Public Administration**

In public administration, JICA assisted Bangladesh and Ghana in improving the services of the public sector. It also supported eight countries, including Bhutan, Tanzania, and Honduras, in building the planning capacity of local governments that aim to provide public services in ways that benefit the citizens. In Cambodia, JICA worked to build the capacity of officials at the National Institute of Statistics and provincial planning agencies by transferring skills and knowledge that are needed to conduct statistical surveys, such as population and economic censuses. In Bangladesh, JICA assisted in improving the quality of public services by introducing Total Quality Management (TQM) into the training course for public servants so that they will be able to translate their awareness into operational improvements. A representative of the participants in this course achieved significant operational improvements: made a presentation at the

International Kaizen Convention, held in the Bangladeshi capital, Dhaka, in December 2014, and was cited for this achievement by the State Minister for Public Administration.

As part of its assistance in anticorruption measures, JICA supported institution building to ensure the integrity of government officials in Bangladesh. JICA also organized an anticorruption seminar as part of its support for the democratization process in Ukraine.

##### **(2) Public Financial Management**

Public financial management (PFM) constitutes a key sector that supports the management of central and local governments, whose services in turn support people’s lives. This sector covers all the components that relate to the flow of funds for the public sector. They include budget planning, revenue planning, national treasury management, accounting and procurement, internal audit, financial reporting, and external audits. In short, PFM is a key development issue that influences everything from development planning to public-sector management.

In fiscal year 2014, JICA presented its activities in PFM and exchanged views at a number of institutions in the United Kingdom and the United States, including the London School of Economics, the Overseas Development Institute (ODI), and the headquarters of the Chartered Institute of Public Finance and Accountancy, as well as the United Nations Development Programme, the International Monetary Fund, the World Bank, and Harvard University. They shared their strong interest in JICA’s assistance in PFM as it features taking local contexts into full account focusing on capacity building for partner countries. JICA actively disseminates knowledge and trains JICA experts in PFM primarily through its customized training for experts program. JICA’s assistance in PFM is diverse. It covers such aspects as performance-based budgeting in Indonesia, public investment management in Laos, Bangladesh, and Malawi, internal auditing in Mongolia and Tanzania, and public-private partnerships (PPP) in Mongolia.

JICA also continues its assistance in tax and customs, which play the pivotal role on the revenue side of public expenditures. In April 2014, JICA introduced a new customs clearance IT system in Viet Nam as a trade facilitation measure. This boosted the efficiency of clearance operations in Viet Nam. Similar assistance started in Myanmar as well. In the east, west, and south subregions of Africa, JICA continued to set up “One-Stop Border Posts” to facilitate cross-border transportation.

##### **(3) Finance**

Finance constitutes a major part of the “soft infrastructure” that supports private sector development. In recent years, demand for development assistance in finance has been increasing, and so has JICA’s assistance in this sector. In Viet Nam, JICA drew on Japan’s experience to support the reform of state owned enterprises and the disposal of nonperforming loans. In Myanmar, JICA has provided the central bank with assistance for modernizing the fund settlement system and helped to nurture the inter-bank market and to develop a stock exchange system. In this way, JICA supported the dawning of financial modernization in Myanmar. In Mongolia, JICA supported the development of capital markets as well.