

# Grants

## ● Building Foundations for the Future of Developing Countries

Grants are a type of financial assistance in which funds are granted to a developing country to support construction work or services such as procuring equipment and materials that are necessary for socioeconomic development. Since Grants are financial assistance with no obligation for repayment, they target mainly developing countries with low income levels.

Assistance is provided mainly for development of socioeconomic infrastructure, such as hospitals, schools, water supply systems, irrigation systems, roads, bridges, ports, and power supply. In recent years, assistance has also been extended for peacebuilding, developing business environments, disaster prevention and reconstruction after disasters, measures to cope with climate change, and development of human resources for those who will play important roles in their own countries' policymaking.

Where necessary, technical guidance for operation and maintenance is also provided so that the facilities and other systems financed by Grants are sustainably managed.

## ● Project Cycle

Grants are carried out in a project cycle consisting of six major steps, as described in the chart at right. Lessons learned from ex-post evaluations will be utilized for preparing new projects.

## ● Types of Grants Implemented by JICA

### 1. Project Grants

This is a type of Grant in which the government of a partner country enters contracts with consultants or contractors to build facilities or to procure equipment and materials. It is mainly used for establishing foundations for basic human needs or for building socioeconomic infrastructure.

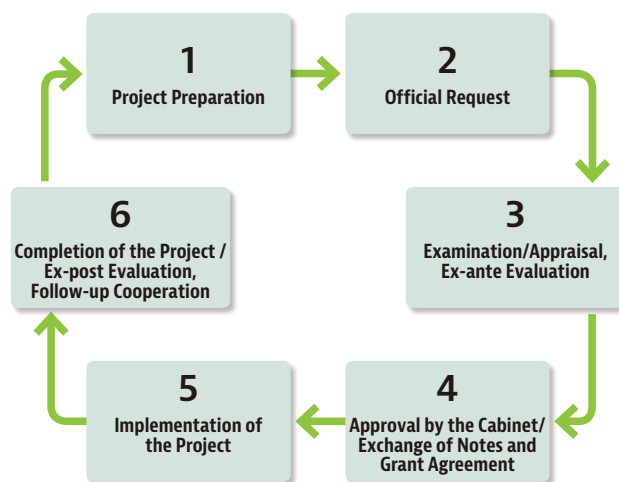
### 2. Program Grants

This is a type of Grant in which multiple subprojects are implemented in a flexible manner under a single Grant program.



**Cambodia:** A Japan-made surgical X-ray fluoroscopy system provided to a hospital in Svay Rieng Province, Cambodia, in a Grant project. This project also involves the construction of a three-story building that includes a number of departments (general outpatient, emergency outpatient, obstetrics-gynecology, etc.) as well as the provision of training for appropriate operation and maintenance (O&M) of various kinds of medical equipment provided. The integration of O&M into the project enhances inclusive support.

## Project Cycle



When assisting restoration or reconstruction from disasters, prompt and flexible responses to a variety of rapidly changing needs are required. Therefore, this type of Grant was applied to projects such as the project for restoration and reconstruction after disasters caused by Typhoon Yolanda that struck the Philippines.

## 3. Grants in Association with an International Organization

This is a type of Grant in which an Exchange of Notes and a Grant Agreement are signed with an international organization to implement a project for the government of a partner country while making use of the expertise of the international organization.

## 4. Grants through Budget Support

This is a type of Grant in which budget support is provided for a developing country for purposes such as the promotion of a poverty-reduction strategy that is a comprehensive development plan for the country's socioeconomic development.

In this type of Grant, there are categories such as "general budget support," in which purposes and expense items are not specified, and "sector budget support," in which purposes and expense items are limited to a certain sector.

## ● Grants for Human Resource Development

This is a type of Grant in which a scholarship for graduate study in Japan is provided to promising government officials and other personnel who will likely become leaders in partner countries. After returning home, they are expected to play an active role in formulating and implementing socioeconomic development programs as experts. They are also expected to help further strengthen friendly relations between Japan and partner countries as supporters with a positive understanding of Japan.