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 the upper-right. Lessons learned from ex-post evaluations will be utilized for preparing new projects.

1. Project Preparation
   Through a preparatory survey, JICA examines the relevance of the project, and develops an outline of the project in consultation with the partner country government.

2. Official Request
   The Japanese government receives an official request for the project from the partner country government.

3. Examination/Appraisal and Ex-ante Evaluation
   JICA examines and appraises the contents of the requested project and conducts an ex-ante evaluation.

4. Approval by the Cabinet/Exchange of Notes and Grant Agreement
   Based on the results of JICA’s appraisal, the Japanese government approves the project to be financed by Grants at the Cabinet level. Then, the partner country government signs the Exchange of Notes and Grant Agreement with the Japanese government and JICA, respectively.

5. Project Implementation
   As the main conductor of the project, the partner country government implements the project, whereas JICA, respecting the partner country’s ownership, monitors the progress of the project and gives advice to the stakeholders in order to ensure proper and smooth implementation.

6. Completion of the Project/Ex-post Evaluation and Follow-up
   After completion of the project, JICA conducts an ex-post evaluation, and where necessary provides follow-up cooperation to resume the performance of the equipment and facilities as well as to support the activities for disseminating the project outcome. Feedback from the evaluation 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 partner country government 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. When assisting restoration or reconstruction from disputes or 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 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.

5. 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.

Initiatives to Promote the Export of Quality Infrastructure

1. Grants with Operation and Management

This type of Grant is for public-private partnership (PPP) projects that are economically beneficial but not financially viable, though, may likely become financially feasible if the developing country government bears part of the project costs. This Grant is extended to public work projects that comprehensively implement the continuum of activities from facility construction to operation, maintenance and management.

2. Grants in Cooperation with Local Governments

This Grant is designed to implement quality projects by taking advantage of the experience and know-how accumulated by Japanese local governments. Projects with this type of Grant are formulated based on proposals from local governments that have experience in providing technical cooperation or dispatching experts to developing countries.

3. Grants for the Global Outreach of Medical Technologies and Services

This Grant is designed to provide higher-quality medical equipment and services—including maintenance and other after-sales services—to partner countries. It will help to build long-lasting relationships between Japanese manufacturers of medical equipment and medical institutions in partner countries.

New Thaketa Bridge—located along a major transport route that extends from the city center of Yangon in the rapid growing economy of Myanmar—has been constructed with a Grant to replace the old one with technologies new to the country. Apart from physical assistance, the Grant project also involved accepting a few officials from Myanmar’s Ministry of Construction to Japan for training. They learned the Japanese way of construction supervision through OJT.

Under the Japanese government’s Plan to Accept 100,000 Foreign Students in Japan, JICA launched in fiscal 1999 the Japanese Grant Aid for Human Resource Development Scholarship (JDS). JDS is designed to allow young public administrators expected to become leaders in developing regions to study at graduate schools in Japan. For a period of 19 years until fiscal 2018, a total of 4,302 students from the developing world have studied in Japan and contributed to the policymaking process in their home countries.

At its outset, JDS was extended chiefly to transitional economies in Asia. Under JDS, students from Uzbekistan and Laos began to study in Japan in 2000. Later, the scope of JDS was expanded to include other Asian countries, including Cambodia, Viet Nam, Mongolia, Bangladesh, Myanmar, China, the Philippines, Indonesia, the Kyrgyz Republic, Tajikistan, Sri Lanka, and Nepal.

In 2012, Ghana was added to the list as the first country from Africa, bringing the number of eligible countries to 15. In 2019, Timor-Leste, Pakistan, and Bhutan will also become eligible for JDS.

Toward a wider and deeper intellectual network at the global level, JDS will continue to contribute to capacity building of public administrators who lead sustainable development as well as to mutual understanding and friendly networking among them.

Networking among Japanese public administrators, JICA officials, and JDS students in the Asian Government Leaders Networking Event