

The role of JICA in India's economic development

August 30th, 2019
JICA India

India - Japan Relations

- Both established **Special Strategic and Global Partnership**.
- For India, Japan is the **largest bilateral development partner**.
- For Japan, India is the **oldest** recipient of ODA.

- Apr. 1952 Established official diplomatic relations
- 1958 Japan's first ODA Loan in the world extended to India.
- Aug. 2000 "**Japan-India Global Partnership in the 21st Century**"
- Apr. 2005 Japanese PM Koizumi visited India. Annual based PMs



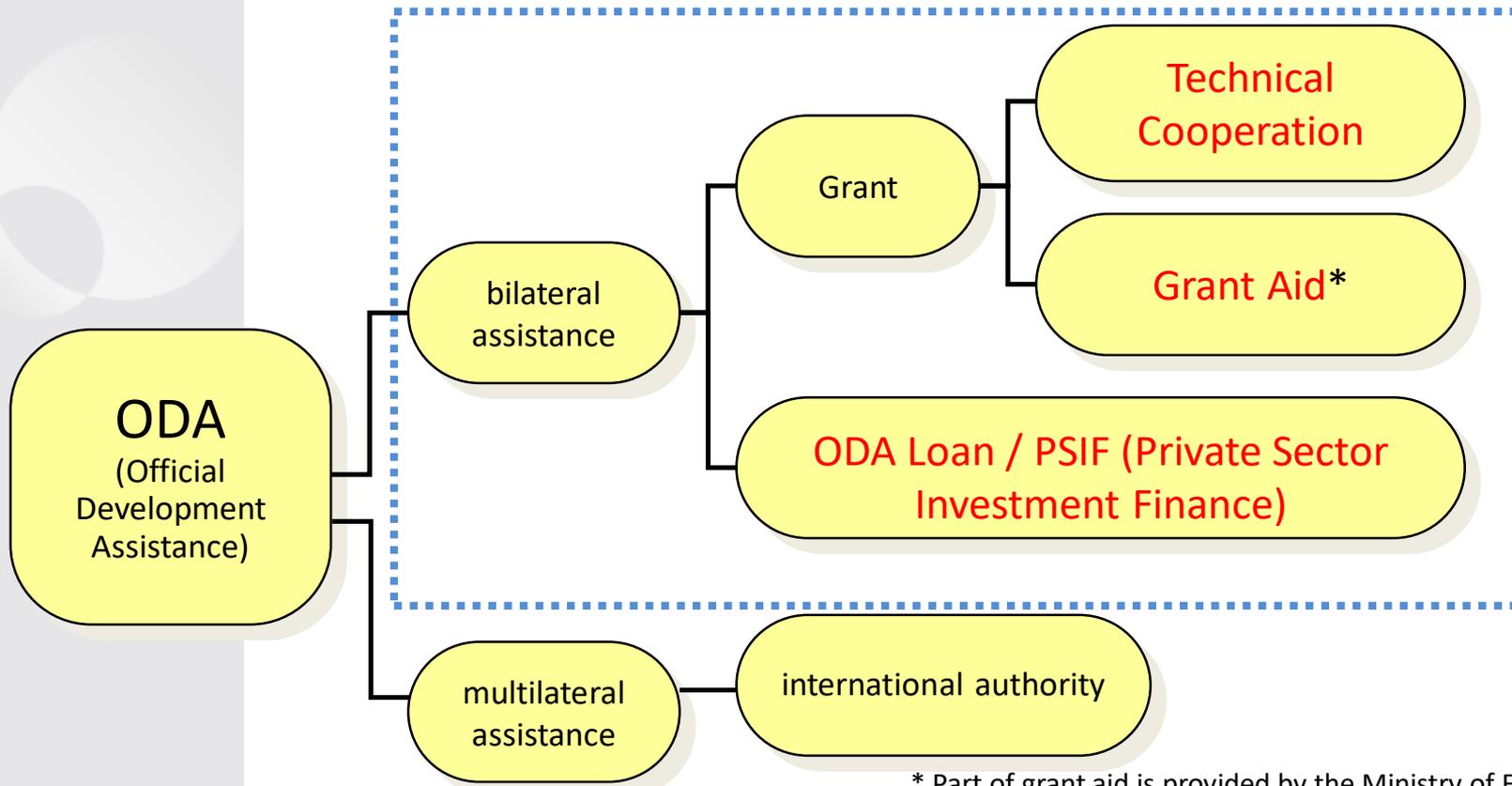
- Dec. 2006 "**Joint Statement Towards Japan-India Strategic and Global Partnership**"
- Sept. 2014 Indian PM Modi visited Japan. "**Tokyo Declaration for Japan-India Special**

Strategic and Global Partnership"

- a) *Doubling Japan's foreign direct investment in India within five years.*
- b) *Doubling the number of Japanese companies in India within five years.*
- c) *JPY 3.5 trillion (Rs. 2 trillion) of public and private investment and financing to India from Japan, including ODA, within five years.*
- Sept. 2017 Japanese PM Abe visited India (Commencement ceremony of HSR in Ahmedabad)
- Oct. 2018 Indian PM Modi visited Japan (Tokyo and Yamanashi).

What is “JICA”?

- JICA is a **governmental agency** of Japan that coordinates official development assistance (ODA).
- JICA, the world’s largest bilateral aid agency, works in over 150 countries and regions and has some 100 overseas offices.



* Part of grant aid is provided by the Ministry of Foreign Affairs.

Japan International Cooperation Agency

- **President:** Shinichi Kitaoka
- **Establishment:** August 1974 Reorganized 2008
- **Staff:** 1,827 (Full time)
- **Recipient Countries:** 150
- **Overseas Offices:** 92
- **Offices in Japan:** HQ (Tokyo) and 17 sites

JICA's Vision

Inclusive and Dynamic Development

Mission 1

Addressing Global Agenda

Mission 3

Improving Governance

Mission 2

Reducing Poverty
through Equitable Growth

Mission 4

Achieving Human Security

India is JICA's Largest Development Partner in the World

Soft Loan

Accumulated Commitment by FY2017/18:

- JPY 5.3 trillion in total
(equivalent to over Rs. 3 lakh crore)

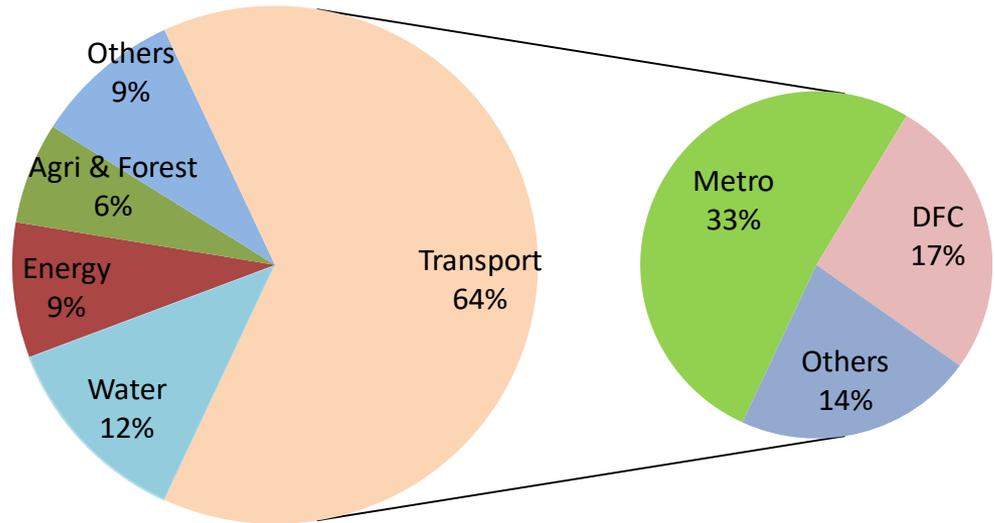
Operational Results in FY2017/18:

- Commitment: JPY 398.4 billion
(equivalent to about Rs. 25,000 crore)
- Disbursement: JPY 264.3 billion
(equivalent to over Rs. 16,000 crore)

Terms and conditions: (as of Jan. 2018)

- General terms: Interest rate 1.5%, repayment period 30 years (including 10 years grace period)
- STEP: Interest rate 0.1%, repayment period 40 years (including 12 years grace period)

Major Sector (FY2008/09-2017/18)



Grant Aid

Two on-going projects
in
Varanasi & Bengaluru

Technical Cooperation

- Results in FY 2016/17
JPY 16.0 billion (about Rs. 850 crore)
- About 1100 Japanese experts to India
- About 250 Trainee from India to Japan

Citizen Partnership / Public-Private Partnership

- Japanese Volunteers
- Japanese NGO activities
- Partnerships with
Private-Sector Activities

Cooperation on Metro Projects

JICA is supporting metro projects in 6 major cities in India

Ahmedabad Metro

- Total Length: 38 km
- Project Cost: JPY 246 Billion (about Rs. 15,000 crore)
- Completion Year: 2020
- Under Construction

Delhi Metro

- Total Length: 351km
- Project Cost: JPY 1,274 Billion (about Rs. 80,000 crore: Phase 1-3)
- Completion Year: 2020 (Phase-3)
- Phase 4 plan is coming up



Mumbai Metro

- Total Length: 34 km
- Project Cost: JPY 621 Billion (about Rs. 39,000 crore)
- Completion Year: 2021
- Under Construction. New plan for Line 2 and 4 is coming up.

Kolkata Metro

- Total Length: 16 km
- Project Cost: JPY 140 Billion (about Rs. 9,000 crore)
- Completion Year: 2021
- Under construction

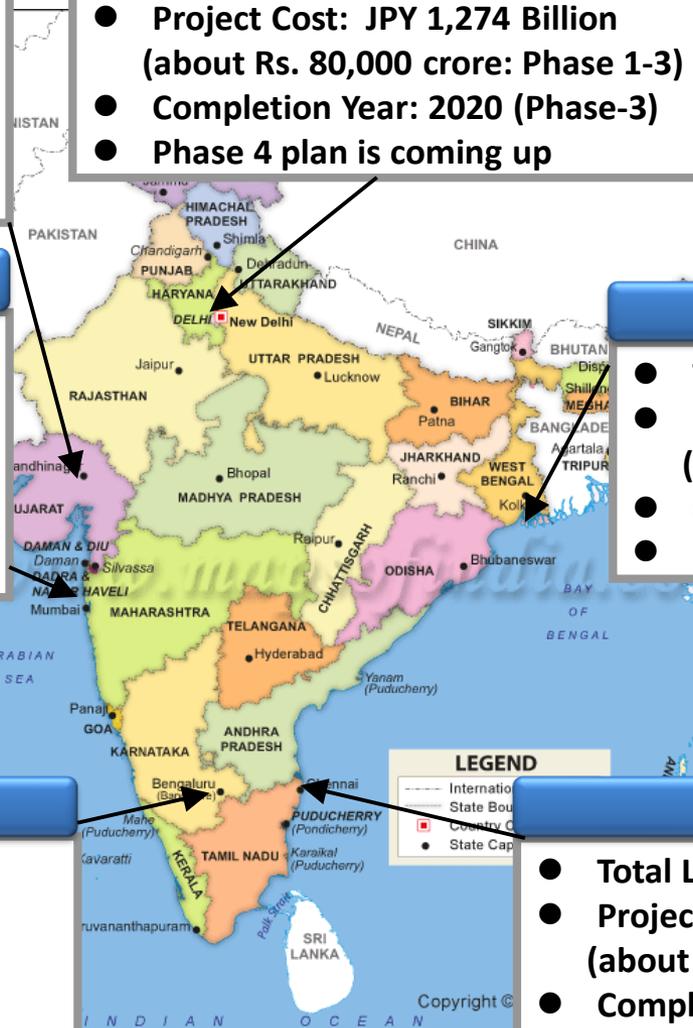


Bangalore Metro

- Total Length: 42 km
- Project Cost: JPY 307 Billion (about Rs. 19,000 crore)
- Completion Year: 2017
- Phase-2 is under construction

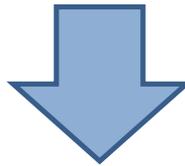
Chennai Metro

- Total Length: 53 km
- Project Cost: JPY 386 Billion (about Rs. 24,000 crore)
- Completion Year: 2020 (Phase-1)
- Phase-1 under construction



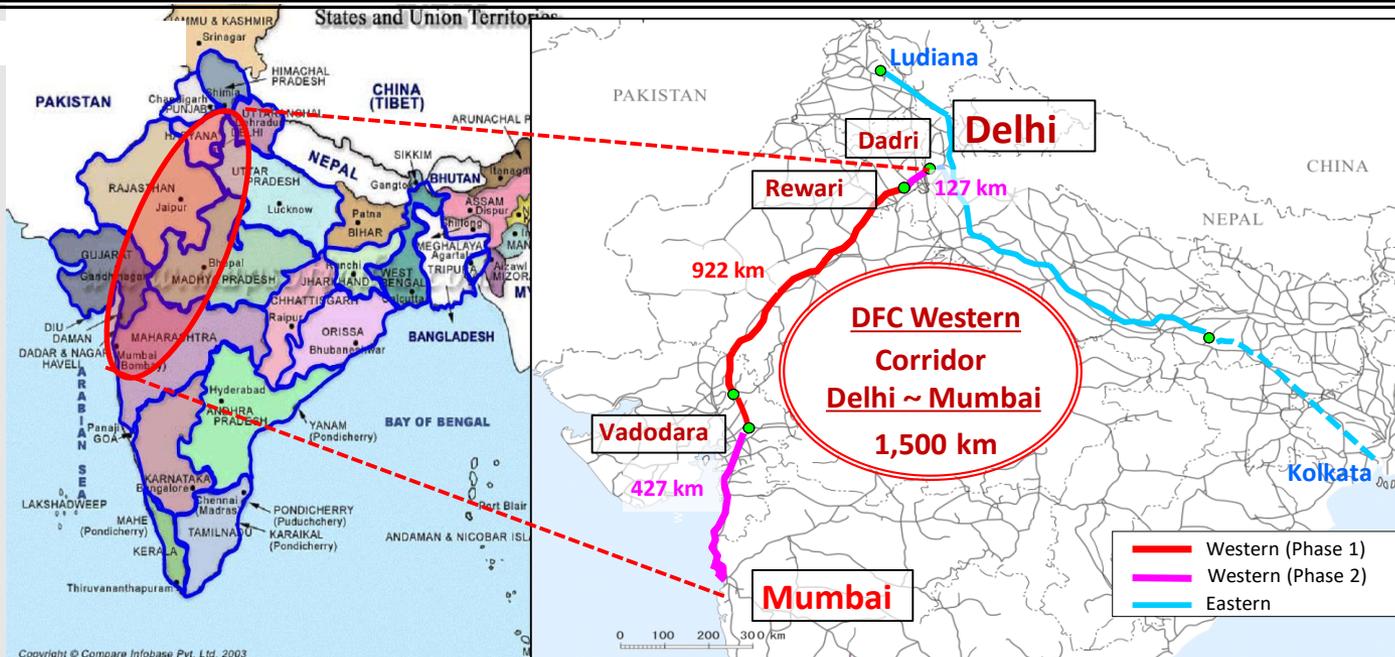
Safe, Timely, Comfortable Move for Better Life

- **Safe** operation
- **Timely & Stable** (with reliability, efficiency and comfort)
- Considerations for **environmental harmonization, operation and maintenance**, managerial/financial **sustainability**
- Coordination with various stakeholders for better operation /service

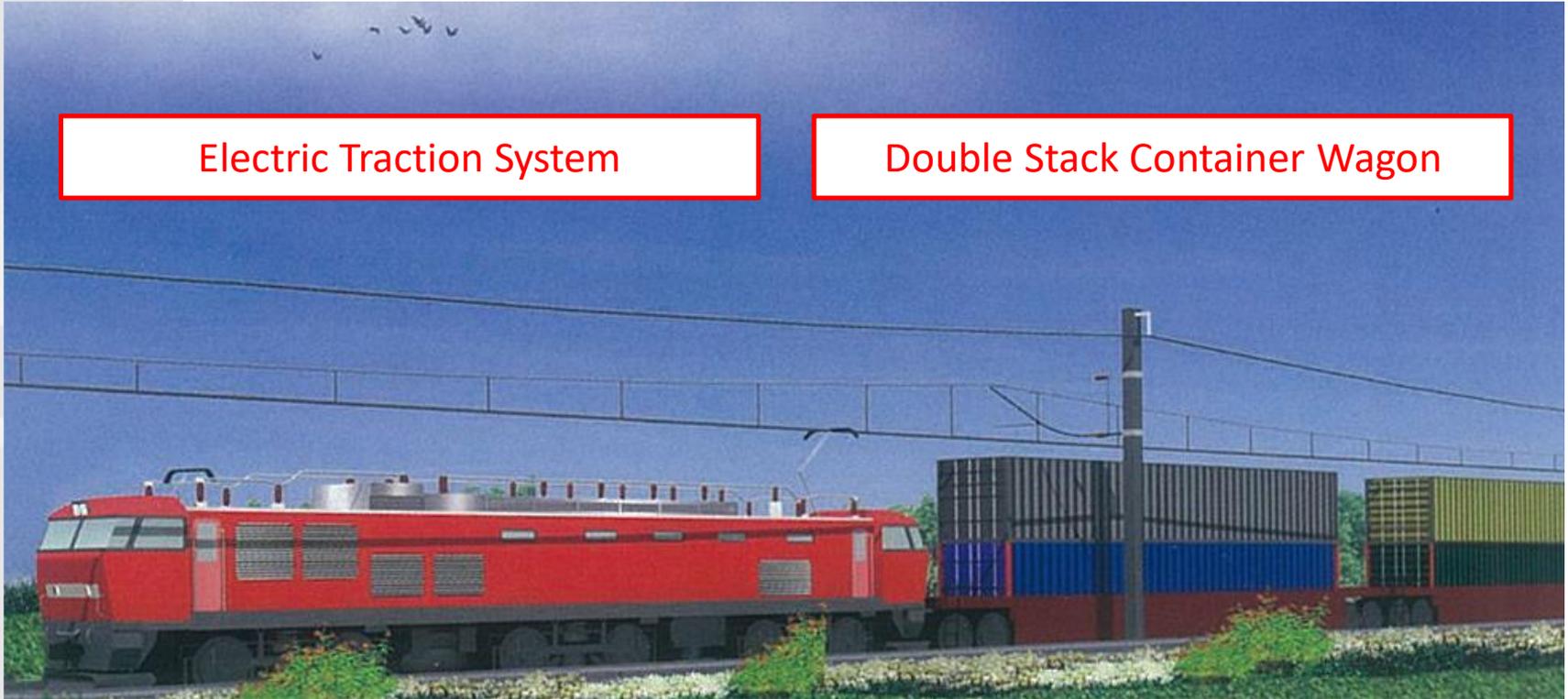


“Quality Infrastructure”

- The **backbone of DMIC** (Delhi-Mumbai Industrial Corridor)
- WDFC (**Delhi-Mumbai: 1,500 km**) will focus on:
 - (1) construction of **new dedicated freight lines**
 - (2) installation of **automated signal & telecommunication**
 - (3) introduction of **electric locomotives** with high-speed & high-capacity transportation
- Construction is underway (Almost all tendering are completed)



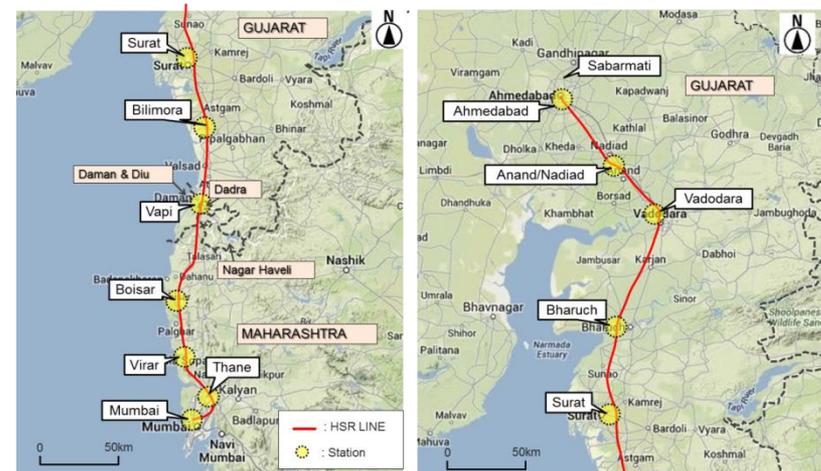
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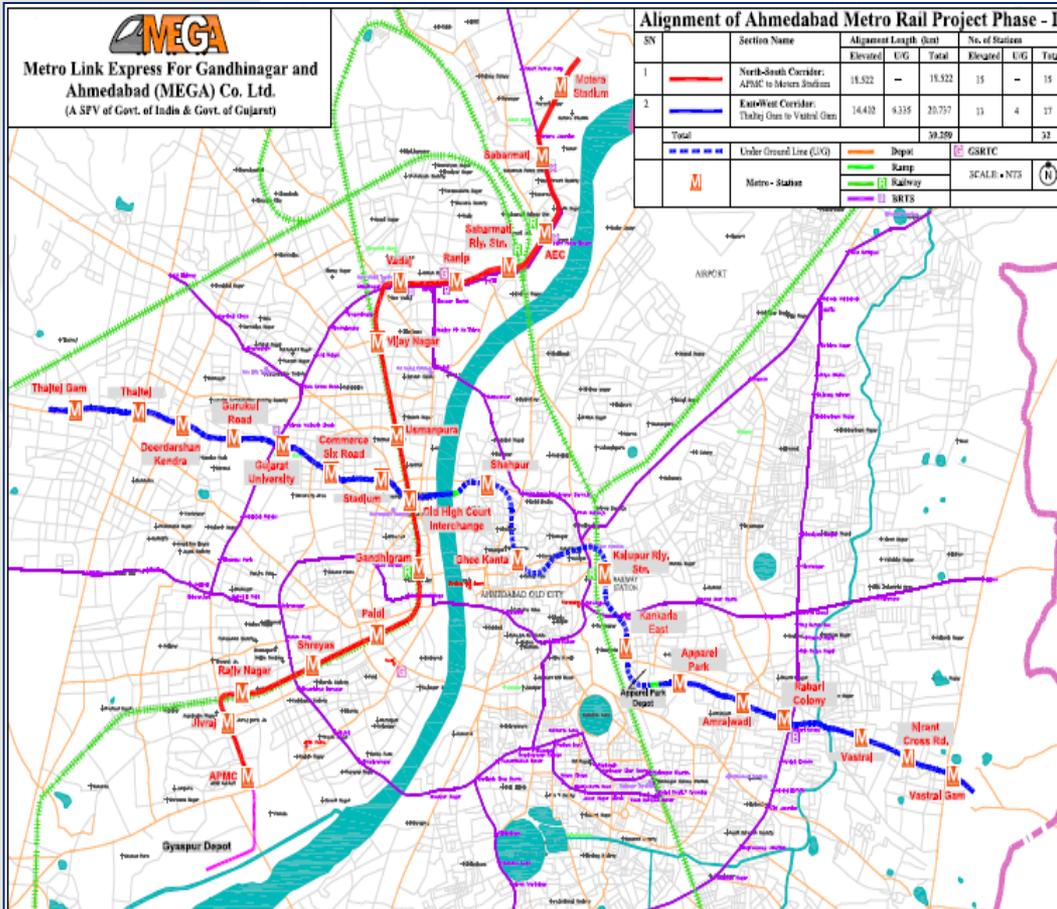
	DFC		NOW
Maximum speed	100 km / h	←	30 - 40 km / h (approximately)
Transport time (Delhi – Mumbai)	20 hours (approximately)	←	48 - 72 hours

Mumbai Ahmedabad High Speed Railway

- **Joint Feasibility Study (F/S)** conducted by JICA and Ministry of Railway from Dec. 2013 to July. 2015.
- Both sides confirmed the use of **Japanese high speed rail technologies (i.e. the SHINKANSEN system)** and experiences, in line with the result of the joint F/S at the Japan-India Summit Meeting (December 2015).
- **Follow-Up Study** conducted by JICA from Mar. 2016 to Feb.2018
- In the latest Japan-India Summit Meeting (September 2017), the two Prime Minister welcomed:
 - (1) Steady progress, including the **project commencement at the Sabarmati Station**, witnessing the **construction commencement of training institute in Vadodara**
 - (2) Provision for a soft **ODA loan amounting to JPY 100 billion**
 - (3) Business matching efforts to establish Japan-India cooperation for advancing “**Make in India**” and **technology transfer** HSR projects
- JICA has been providing with utmost **technical support** (for CD);
 - ✓ Formulation of **technical standards**,
 - ✓ **Safety certification** measures,
 - ✓ Strengthening the **institutional capacity of NHSRCL**
 - ✓ Urban development planning of stations and surrounding areas for **enhancement of the connectivity** and **non-fare revenue**, etc.



Ahmedabad Metro Project



Alignment map

Outline

The project is to address the increasing need for transportation, thereby developing the regional economy and improving the urban environment with reduced traffic congestion and traffic pollution.

- **Project Cost: JPY 246 Billion (about Rs. 15,000 crore)**
- **Loan Amount: JPY 82,424 Million (about Rs. 5,100 crore)**
- **Expected Completion: June 2022**



Photo: Inauguration ceremony of Priority reach (East-West line Apparel Park station ~ Vastral Gam station) on March 4th, 2019.

Gujarat Investment Promotion Program (GIPP)

- Program Implementation Unit

Finance Department/ Industry Department, GoGJ

- L/A signing: Sept. 2017 (Program term: FY2016– FY2018)
L/A amount: JPY 16,825 million (INR 967 Cr.)

- Policy Actions

- PPP promotion
- Industrial Development
- Single window system
- Administrative process
- Skill development
- Infrastructure Development

- Major achievements/ Targets

- Capacity building on PPP infrastructure
- Upgradation of Single Window Clearance System
- Establishment of Policy Research Cell in Industry Dept.
- Infra-Developments (Road, Water Supply and etc.)
- Establishment of Apex Training Institute

- Current Progress

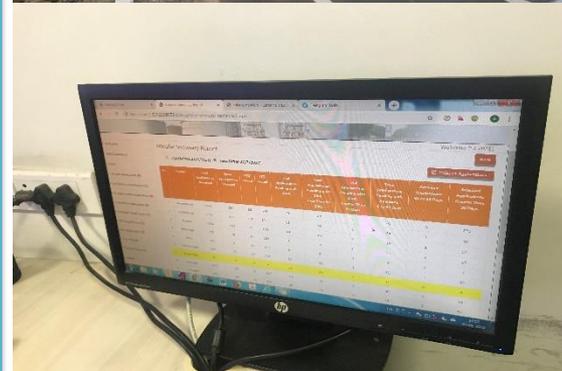
In accordance with the progress, 1st loan disbursement (JPY6,731 Million) has been made in March 2018 and 2nd loan disbursement (JPY5,047 Million) in February 2019.



Water Supply facility in Bhagapura, funded by GIPP.

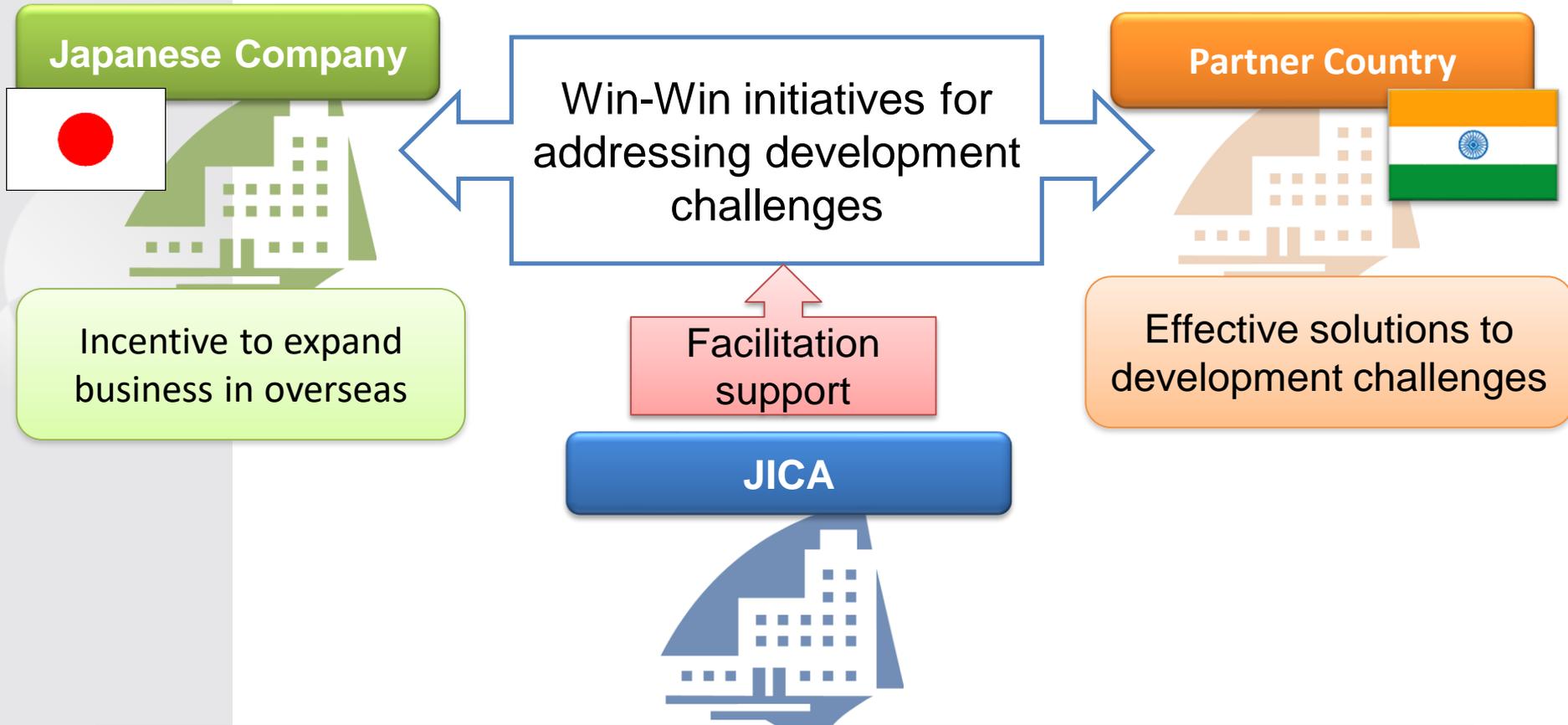


Khoraj Estate Road funded by GIPP



Online Dashboard on investment application status, which has been facilitated under GIPP.

JICA's Private Sector Participation Program



JICA facilitates the realization of both Japanese companies for business expansion and partner countries' initiatives for achieving their development goals through utilizing technologies/products of Japanese companies

Japanese Language Teachers to the Universities and Schools



Thank you!

धन्यवाद



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