Rs. 5,000 crore for 4 projects, New JICA’s Memorial First L/As

JICA signed Japanese ODA loan agreements on Nov 21, 2008 with Government of India to finance four projects totaling up to JPY 99,019 million (equivalent to INR 5,000 crore) in the first half of FY08. Incidentally, they are the first ODA Loan projects to be signed under New JICA. (See chart below for details of the projects)

Nearly two months before the agreement, Japan International Cooperation Agency (JICA) successfully completed the merger with the ODA part of Japan Bank for International Cooperation (JBIC) on 1st October, 2008. This historical merger made JICA the largest bi-lateral donor agency in the world and in India. New JICA is now spreading its coverage to 20 states with 75 projects all over India.

Against Climate Change

In light of the consensus on climate change at Toyako Summit 2008, the projects are focused on supporting India’s efforts to fight climate change by improving energy efficiency and preserving forests.

Going forward, New JICA, providing comprehensive assistance under a unified administration—technical cooperation, Japanese ODA loans, and grant aid (see p.3)—will implement its policy to extend support for important themes such as “Sustainable Growth through Economic Infrastructure,” “Economic Growth accompanied by Employment Generation,” “Poverty Reduction,” and “Environment and Climate Change Measures”.

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount (mil Yen)</th>
<th>Interest Rate(%)</th>
<th>Loan Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chennai Metro Project</td>
<td>21,751</td>
<td>1.20</td>
<td>30</td>
</tr>
<tr>
<td>Hyderabad Outer Ring Road Project (Phase 2)</td>
<td>42,027</td>
<td>1.20</td>
<td>30</td>
</tr>
<tr>
<td>Capacity Development for Forest Management and Personnel Training Project</td>
<td>5,241</td>
<td>0.55</td>
<td>40</td>
</tr>
<tr>
<td>Micro, Small and Medium Enterprises Energy Saving Project</td>
<td>30,000</td>
<td>0.30</td>
<td>15</td>
</tr>
</tbody>
</table>
Namaskar!

On 1st October 2008, Japan International Cooperation Agency (JICA) is taking over Official Development Assistance (ODA) of Japan Bank for International Cooperation (JBIC). New JICA is now the world’s largest bilateral development aid agency with a budget of approximately 10 billion dollars a year and is providing technical assistance, ODA loans, and grant aid to some 155 countries.

JICA has been here in India since 1958, when India became the first partner country for Japan’s ODA loan program. Since then, JICA has supported the efforts of the Indian people for socio-economic infrastructure development, economic stabilization and poverty reduction. Recently, we also put focus on the environment sector, to tackle global warming. Currently, India is the largest recipient country of Japan’s ODA. Japanese ODA accounts for over 25% of India’s external aid, making Japan India’s largest bilateral donor.

As of December 2008, JICA has supported over 50 Grant Aid projects, over 40 Technical Cooperation projects and over 100 ODA Loan projects, the most famous of which is the Metro Rail Project in Delhi, Bangalore, Kolkata and Chennai. JICA’s ODA loan commitment to India stands at JPY 2.7 Billion (eqvt. to approx. INR 135,000 crore). JICA has been working towards effective transfer of Japanese technology and knowledge to the people of India and has trained more than 5000 technical-trainees from India. Over 740 technical experts from Japan (short-term and long-term) have also worked in India. Our operations are concentrated in electric power development, urban transportation, forestry, water and agriculture.

At the birth of new JICA, we have set our new vision as “Inclusive and Dynamic Development”. I am sure that this vision fits perfectly with the vision of the Government of India, which is promoting inclusive growth while achieving one of the world’s fastest and most dynamic economic growth rates. Also, the keyword of Japan’s philosophy on overseas assistance is “self-help”, or “ownership”. This is again a perfect match with India, which has a strong ownership to its development.

I hope JICA’s activities would continue contributing to “Inclusive and Dynamic Development” of India and enhance the goodwill between the people of two great nations, India and Japan.

Hidetoshi Irigaki
Chief Representative
JICA India Office
Major Assistance Tools (Schemes) of New JICA

- **Technical Cooperation**: dispatch of experts and volunteers, acceptance of trainees from Indian counterparts, implementation of surveys, etc.
- **ODA Loans**: financial assistance providing concessionary loans
- **Grant Aid**: financial assistance without obligations for repayment

**Comparison with Other Major Donor Agencies in India**

<table>
<thead>
<tr>
<th>Organization</th>
<th>No. of Staff (global)</th>
<th>Vol. of Operation (global)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New JICA</td>
<td>1,633</td>
<td>US$ 10,280 million</td>
</tr>
<tr>
<td>World Bank</td>
<td>8,600</td>
<td>US$ 19,634 million</td>
</tr>
<tr>
<td>ADB</td>
<td>2,443</td>
<td>US$ 6,851 million</td>
</tr>
<tr>
<td>USAID</td>
<td>2,227</td>
<td>US$ 3,976 million</td>
</tr>
</tbody>
</table>

*This chart excludes Grant Aid which MOFA will continue to directly implement for the necessity of diplomatic policy.*

*Until the merger JICA had conducted preliminary examinations for grant projects. New JICA is continuing its former operations while it has also become responsible for the supervision of project implementation.*
Voices from GoI
Interview with Mr. Krishna, DEA, MOF

I welcome the merger of former JBIC and JICA to become one entity, which is in-charge of all ODA. I hope there would be more coordination between Japanese ODA loans and technical cooperation projects.

Work with JICA
I have been working here for the last three years and the relations with JICA have been very cordial. Japan is the biggest bilateral partner, which knows the Indian requirement, including social needs. During the discussions, I found that the development specialists of JICA go into details during preparation of project portfolio and review of projects. I appreciate their sincerity and depth of understanding.

Japanese technical know-how and expertise in infrastructure development are some of the fields which we want to utilize while preparing projects and programs. That is why projects such as Metro Rail projects in big cities and water supply and sewage projects in many states are taken up as priority projects, in addition to projects in other fields such as tourism.

Impressive Japan
I have been to Japan many times. A country, which had gone through World War II and its aftermath, economic recession in the 70’s, has progressed to become one of the most developed countries within a short period. This has really impressed me a lot and I wish Japan to become an eye-opener for all other Asian countries.

Indo-Japan Relationship
India is rich while having many poor people. The GoI has been trying to improve the living conditions of all the people through different plans since 1950. I am happy to say that Japan has been a partner in India’s road to development.

This partnership for the last 50 years itself is a big achievement in India. Japanese assistance during the economic crisis in the 90s and the construction of the Delhi Metro system are some of the shining examples of Indo-Japan friendship.

The Indian public is aware of Japan’s contribution in India’s development. I am happy to say that Japan’s ODA assistance extends all over the country. So, people in both urban and rural areas are highly appreciative of Japanese assistance.

FLASHBACK NEWS

“Japan Meet” meets Visva Bharati University
Japan Overseas Cooperation Volunteers (JOCV) Japanese Language Education Committee, which comprises all volunteers in the field of Japanese Language Education, co-hosted a cultural exchange programme “Japan Meet” with Visva Bharati University, Santiniketan, West Bengal on 14th December, 2008. This event was aimed at promoting understanding on JICA/JOCV programme and Japanese culture in India. The programme included special Japanese language classes by the JOCVs and Judo demonstration by a JOCV Judo coach, as well as a special lecture on the aged society in Japan by Senior Representative of JICA India Office. Prof. R.K. Ray, Vice Chancellor of the University, also participated in the opening event, and reaffirmed the ties between India and Japan.

Inauguration of Trial Irrigation in Orissa
In November 2008, Department of Water Resources, Government of Orissa, celebrated the trial irrigation of Bhairpur Branch Canal (BBC) which is a branch canal of Rengali Left Bank Canal. Rengali Irrigation Project, with financial assistance from JICA, has been under implementation since 1998. BBC and its distributary canal have been completed and to showcase the progress of the project, the inaugural ceremony was held in the presence of the Chief Minister, the Minister of Water Resources and the Chief Representative of JICA.
**Partnerships with NGOs**

JICA Partnership Programme (JPP) is JICA’s initiative to support Japanese NGOs, universities and local governments that promote sustainable livelihood of deprived communities in India. JPP supports collaborative projects between Japanese organizations and Indian NGOs working at the grassroots level.

**NGO-JICA Workshop Enhancing Its Partnership**

The annual NGO–JICA workshop was held in December 2008. Twenty participants from NGOs of JPP and JICA gathered at “Shanti” ICA’s training center near Pune in order to share their knowledge and enhance the partnership. The workshop this year focused on “SHG and Microfinance” on the first day, featuring the lectures by Ms. Chandhra of MYRADA and specialists of JICA. Following the activity report from the NGOs, participants went on a field trip to Sevandham Trust Hospital and ICA’s project site on the second day.

“**Encouraging for us to hear other NGOs success stories Mr. Rajwar, Dr Graham’s Home**

Participants, as grassroots development specialists, enjoyed debates on SHGs/MF and exchanged their experiences and insights which are deeply rooted on the ground activities. It was also a good opportunity for the NGOs to strengthen networks among each other. “It is very encouraging for our project to hear other JPP NGOs’ struggles and success stories”, said Mr. Prabir Rajwar, a field coordinator of Doctor Graham’s Home, who is promoting the horticulture development under JPP scheme in Kalimong, West Bengal.

For more details of JPP, visit our website.  
http://www.jicaindiaoffice.org/welcom_e.htm

**JPP Project List as of January 2009**

<table>
<thead>
<tr>
<th>Organizations Japan/India</th>
<th>Project title</th>
<th>Duration</th>
<th>Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live with Friends on Earth (LIFE)/Mysore Resettlement and Development Agency (MYRADA)</td>
<td>Ecologically Sustainable Rural Development through Community Participation with a Focus to Women’s Empowerment</td>
<td>06/Oct - 09/Oct</td>
<td>Hospet, KT</td>
</tr>
<tr>
<td>Society for mutual Aid networking Environment Education Development (Somneed)/Somneed India</td>
<td>Micro-Watershed Management with Local Initiatives</td>
<td>07/Aug - 10/Jul</td>
<td>Srikakulam, AP</td>
</tr>
<tr>
<td>India welfare Village Society (IWVS)/Ananda Mission Charitable Trust (AMCT)</td>
<td>Education and Human Resource Development in Health and Hygiene</td>
<td>07/Sep - 10/Aug</td>
<td>Kusninagar, UP</td>
</tr>
<tr>
<td>Miyazaki Univ./Eco-friend</td>
<td>Integrated Approach for Arsenic Mitigation</td>
<td>08/June - 10/May</td>
<td>Bahraich, UP</td>
</tr>
<tr>
<td>Institute of Cultural Affairs (ICA)/ICA India</td>
<td>Rural Development for Poverty Reduction</td>
<td>08/Oct - 11/Oct</td>
<td>Pune, MA</td>
</tr>
</tbody>
</table>

**Time for Technology Transfer “from” India**

After the great success under three phases of JICA’s Technical Cooperation Project with Central Silk Board (CSB), Ministry of Textiles, GoI for 16 years (1991 - 2007) to promote Bivoltine Sericulture in India, CSB in turn has begun conducting Third Country Training Programme to transfer tropical bivoltine sericulture technology to other Asian and African counties in cooperation with JICA.

This year, 4 courses, (2 for administrative officers and 2 for technical staffs) were arranged at pioneer institutes under CSB; Central Sericultural Research and Training Institute (CSRTI) Mysore, Central Silk Technological Research Institute (CSTRI) Bangalore and National Silkworm Seed Organization (NSSO) Mysore.

The first 2 week-long administrative course started on 13th October, 2008 with 7 participants from the Philippines, Nepal, Uganda, Cambodia, and Laos. Following this, an 8 week technical course and the second administrative course have been completed. The courses have been highly appreciated with positive feedback from the participants.

“I would like CSB and JICA to accept more participants from my country,” Ms. Asaba Christine from Uganda said, “because I find the course very beneficial.” Both JICA and CSB feel that there is a great demand for assistance in development of sericulture technology in the participating countries. Dr. Qadri, Director of CSRTI said “Now that India has acquired technologies from Japan, it is our turn to transfer it to other countries in various ways. We have confidence and feel responsibility to do so.” The last course of this fiscal year started on 21st Jan.2009 will continue till 17th March, 2009 with 8 participants from those countries as well as Kenya and Nigeria.

“**Now that it is our turn to transfer technology to other countries** Dr. Qadri, Director of CSRTI

During the Microfinance lecture sessions
What are the Ajanta and Ellora Caves?

Ajanta and Ellora of Auraganbad region, Maharashtra, are well-known for their historical caves that are also UNESCO World Heritage Sites. Located at a distance of about 100 km from the city of Aurangabad, the Ajanta Caves date back to 100 B.C. It is known that Buddhist monks carved out thirty caves from a solid rock to make monasteries using only hammer and chisel. Most of these caves are decorated with exquisite carvings and wall paintings depicting their beliefs and lives.

Ellora caves, located about 40 minutes drive from Aurangabad, were made between 5th and 11th century A.D., comprising 34 caves excavated out of vertical face of an escarpment. The caves at Ellora were made by Buddhists, Hindus and Jains and include the magnificent Kailasa Temple, freestanding rock-cut masonry reaching the depth of 100 feet.

Ellora caves have been in use since ancient times and have been attracting pilgrims and visitors from all over the world in more recent times. Ajanta, on the other hand, was veiled under thick tree covers after it was abandoned. It was rediscovered in the early 19th century.

In recent years, the dazzling carvings and beautiful wall paintings of both Ajanta and Ellora caves have drawn many domestic and foreign visitors, making these historical sites a top destination in Indian tourism map.
JICA’s ODA Loan Assistance

However, with the growing number of visitors to the sites, it became apparent that proper management of the sites and conservation efforts for the historical monuments were an urgent need. Pests and bats, as well as seepage of rainwater, also deteriorated the condition of precious sculptures and paintings. Recognizing the importance of preserving these heritage monuments and to educate the visitors, Japanese ODA Loans have been extended to Ajanta Ellora Conservation and Tourism Development Project. JICA has been working with Ministry of Tourism, Maharashtra Tourism Development Corporation (MTDC), Archaeological Survey of India (ASI) and Airport Authority of India (AAI), along with other State agencies for the implementation of the project.

Comprehensive JICA assistance including;
heritage conservation work, road improvement, water supplies, signage board, shuttle bus service for reducing air pollution etc.

Inauguration of the Brand New Terminal of Aurangabad Airport

AAI has been responsible under the Project for upgradation of Aurangabad Airport, which most visitors use as gateway to Ajanta and Ellora Caves. Recently, construction of new terminal building at the airport has been completed. On November 21, 2008, the new terminal was inaugurated by Maharashtra Chief Minister Vilasrao Deshmukh along with Union Minister of State for Civil Aviation, Praful Patel. The new terminal is equipped with aerobridges, escalators, baggage handling systems and CCTV besides other modern passenger amenities. Earlier in the Project, extension and strengthening of runway, etc were implemented. With the new integrated terminal building in place, Aurangabad Airport will facilitate better air connectivity and services, which in turn will bring more visitors to the region.

Renovated airport and visitor center will attract more tourists

Under the Ajanta Ellora Conservation and Tourism Development Project, visitor centers at Ajanta and Ellora are underway. When completed, the visitor centers will be equipped with all visitor friendly amenities like restaurant, information kiosk and washroom, besides gallery and museum that provides information about the heritage sites.

TIPS FOR YOUR TRAVEL

- Daily flights now available from Delhi and Mumbai to Aurangabad
- Various ranges of hotels accommodation in Aurangabad
- Bibi-ka-Maqbara, Daulatabad, Khuldabad and Aurangabad Caves are must-see
- Pitalkhola Caves, Patnadevi Temple and Lonar Crater are also of tourist interest

For more details visit: www.maharashtratourism.gov.in
Japan Overseas Cooperation Volunteer (JOCV) is one of the main technical cooperation programmes of Japan. The Government of Japan started dispatching JOCV members to India in 1966, but it was phased out in 1978. The number of JOCVs dispatched during this period reached 131, in the areas of ‘Rice Cultivation,’ ‘Agricultural Machinery,’ ‘Japanese language,’ ‘Nursing,’ and ‘Poultry Farming/Cattle Raising/Livestock Product Processing.’ In 2006, both governments agreed to restart JOCV programme.

**In 2006, JOCV programme restarted after 28 years interruption period**

Meanwhile, the former JOCV members of the 1960-70s decided to form an alumni association in Japan. Most of them have already reached retirement age and have a lot of spare time. When six of them visited India in February 2008, they revisited their old project sites as well as interacted with the current JOCV members and the JICA staff.

**Revisit to the Old JOCV Project**

In December 2008, I visited the old Indo–Japanese Agriculture Extension Centre in Khopoli, Maharashtra, which is a 1.5 hour drive from Pune. Whenever I told the local people that I would be going there, they responded that it was well-known as “Japanese Farm” for its contribution to the enhancement of rice production in the area with the Japanese cooperation.

It includes grant for development of the facility in 1965 and dispatch of six volunteers between 1970 and 72. Although it has been renamed Regional Agriculture Management and Extension Centre (RAMETI) and shifted its scope of activities to horticulture and the training of extension workers, the staff still appreciate the earlier contribution from Japan.

**Agricultural cooperation in 60’s could lay a good foundation for India and Japan to work together again for Africa’s development**

*Mr. Kenzo Oshima, Sr. Vice President, JICA*

When Mr. Kenzo Oshima, Senior Vice President of JICA, visited India in July 2008, he met the key government officials and proposed that India and Japan collaborate for the promotion of rice cultivation in Africa. Referring to Japan’s intensive technical cooperation in agriculture in India in the 1960s through the eight demonstration farms and then agriculture extension centres, he emphasized that this could lay a good foundation for the two countries to work together.

*(Koji Yamada, Senior Representative, JICA India Office)*

**OFFICE SHIFT INFORMATION**

Since the merger of JICA and former ODA part of JBIC on 1st October, 2008, JICA India had been operating from two offices – Lotus Tower in New Friends Colony and DLF Centre in Connaught Place.

Now we are delighted to announce that our India Office has been physically merged and has moved to 2nd Floor, Dr. Gopal Das Bhawan, 28 Barakhamba Road, New Delhi – 110 001, on 23rd March, 2009.