

Part I
General Remarks

Main Activities in FY2003





Special Feature

JICS Assisting Peacebuilding Activities

Representing hopes for peace, small arms turned in by the public are burned. (Cambodia)

Regional conflict could become the distinguishing characteristic of the twenty-first century. There are still many regions in the world today—for example Cambodia, Sri Lanka or Aceh Province in Indonesia—that are experiencing conflict or that have been left devastated in the aftermath of regional clashes. Conflicts raise humanitarian issues and also have long-term detrimental effects on development and the environment. Since conflicts are caused not only by religious or ethnic strife, but also by poverty, economic disparity or ineffective governance systems, it is essential for the international community to work together to reduce poverty, establish infrastructure and strengthen administrative capabilities through development assistance.

Against this background the Japanese government has been providing support for peacebuilding and rehabilitation, and JICS is also playing a role in these efforts. Here are reports describing what JICS is doing to provide support for conflict prevention and peacebuilding in Cambodia and Sierra Leone, and in rehabilitation support for Afghanistan and East Timor.

Cambodia

Alleviating the Negative Legacy of Conflict

Since the Paris Peace Accord of 1991, Cambodia has been taking steps to rebuild the country in order to achieve reconstruction. The Japanese government has been actively involved in peace, reconstruction and development efforts, providing personnel and financial resources to UNTAC (The United Nations Transition Authority in Cambodia) in 1993 and advocating a “Zero Victims Program” under the 1997 treaty banning anti-personnel mines. However, the 21-year long civil war which began in 1970 left behind countless anti-personnel mines and small weapons, a negative legacy that now constitutes a

major barrier to peacebuilding and restoring social stability in Cambodia after the war.

De Facto Weapons of Mass Destruction (WMD)

Since 1999, the Japanese government has implemented the Project for Improvement of Equipment for Demining Activities to give support for demining activities. JICS has been providing procurement management service since the start of the Project. On June 18, 2003, a ceremony for handover of the Project Phase III took place, for which shrub-removing equipment, mine detectors and other equipment were procured.

In addition, in 2003 Japan began providing active support for measures against small arms, which are considered de facto weapons of mass destruction and require



At a handover ceremony on June 18, Japanese ambassador Gotaro Ogawa (left) presents a landmine detector, symbolizing equipment provided by Japan, to Cambodian premier Hun Sen.

urgent countermeasures.

Small arms such as pistols and automatic rifles are easy to manufacture, obtain and operate. Because of this, numerous crimes are carried out using small arms, a major problem in conflict areas throughout the world and in the aftermath of conflicts. In addition to small arms abandoned in forests or mountainous areas, many people in Cambodia continue carrying them illegally, because they do not trust police or due to unsettled social conditions. A 1998 survey determined that there was one small arm for every three to five households, and many crimes are committed using these arms.

Critical Test for Propagating Peacebuilding Activities

The Cambodian government has made small arms one of its priority issues and has drafted new laws to combat this problem. But lacking knowledge, expertise and funds to tackle the issue, it requires the support of the international community.

Accordingly, the Cambodian government requested grant aid cooperation from the Japanese government for the Peacebuilding and Comprehensive Small Arms



Small arms turned in to local police.

What is grant aid for conflict prevention and peacebuilding?

This is grant aid providing funds needed for securing equipment and carrying out the necessary activities in programs for conflict prevention and peacebuilding, for example helping with reintegration of former soldiers, collecting small arms, and promoting positive relations among various ethnic groups in developing countries. This grant aid has been provided since FY2002 within the framework of non-project grant aid.



In November 2003, JICS Board of Trustees member Yoriko Meguro, professor, Sophia University, visited the "Peacebuilding and Comprehensive Small Arms Management Programme in Cambodia" project site. Prof. Meguro (right) is shown inspecting an armory supervised by the Cambodian police.

Management Programme in Cambodia. On January 13, 2003, an Exchange of Notes for 450 million yen in grant aid was signed by the two governments, following which the Cambodian government and JICS signed a contract for implementation management on March 24 the same year.

Under this program, local citizens are encouraged to turn in their small arms voluntarily and as an incentive, are offered the infrastructure desired. The program also provides support for the Cambodian government to create a system for managing and registering small arms. It is hoped that these initiatives will promote the collection of small arms and improve public safety.

This is the Japanese government's first grant aid for conflict prevention and peacebuilding. This is a very significant activity, in the sense that it provides a starting point for more widespread peacebuilding activities by Japan in the future.

Collection and Burning of Small Arms

This program is being carried out by four Japanese staff, including a program manager dispatched from JICS, and



Workshop conducted by JSAC for local residents to teach them the importance of turning in small arms.

Afghanistan

Attempting to Establish Peace

After invasion by the former Soviet Union in 1979, Afghanistan's 23-year civil war left the country devastated. Four million people fled to neighboring countries as refugees, and another 1.2 million became internally displaced people uprooted from their communities. Following the fall of the Taliban, a provisional government was installed in December 2001, under the Bonn Accord process created through support from the international community, which also began providing rehabilitation assistance.

An international conference to support Afghanistan's rehabilitation was held in Tokyo in January 2002; it was at this conference that Japan announced that it would provide a maximum of 500 million US dollars for rehabilitation over two and a half years. Japanese assistance to Afghanistan is taking place under the "Initiative for Establishing Peace." This initiative, announced by then foreign minister Yoriko Kawaguchi in May the same year when she visited Afghanistan, incorporates three components: promoting the peace process, establishing domestic stability and public safety, and providing humanitarian and rehabilitation support.

Based on the "Initiative for Establishing Peace," Japan has been providing wide-ranging assistance in the areas of medical care, education, road repairs and construction, public health and sanitation, maintenance of public safety, and landmine clearing. Japan is also providing various types of assistance geared to a medium- to long-term time frame, following emergency assistance offered since the early stages.

Prompt Action for Medical Care, Water Supply

JICS was also on the scene early as a procurement agent for the Afghanistan government, supplying basic medical equipment and pharmaceuticals to 16 Kabul hospitals in September 2002. In 2003, JICS also dispatched Afghan doctors to teach local personnel how to use anesthesiology, X-ray and other specialized equipment.

Technical support for equipment procured had previously been carried out by suppliers at the time of equipment inspection on site, but many doctors wanted to receive additional technical support, either because they had been unable to attend on the designated day, or because they felt they had not understood very well even



Children reading a JSAC information poster.

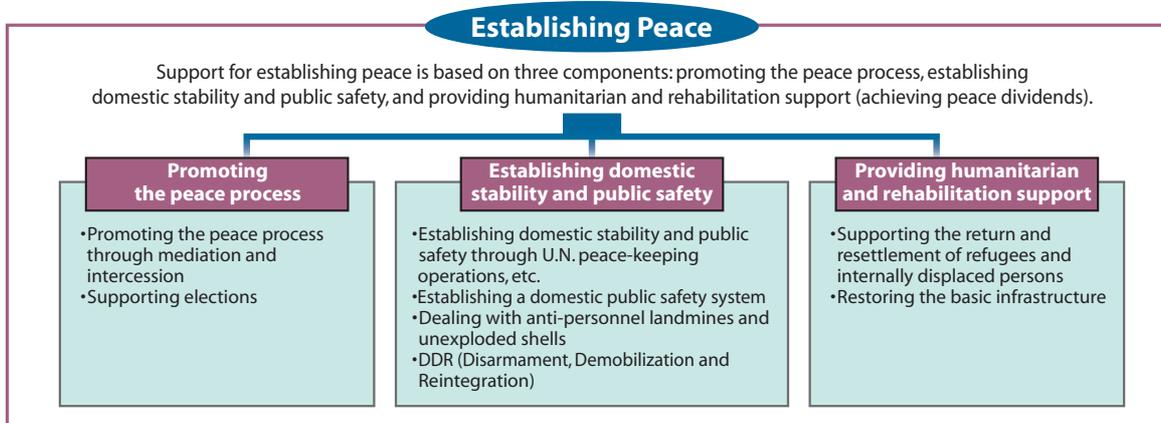
11 local staff forming a JSAC (Japanese Small Arms Control support team). JSAC is composed of experts delegated by JICS, with JICS involved in fund management.

In addition to the Weapons Reduction and Development for Peace Project (collecting arms and carrying out development programs in regions where arms collection has been completed), JSAC conducts comprehensive activities such as promoting mutual trust between police and citizens, since lack of trust is responsible for the spread of small arms, improving management and registration of small arms in order to prevent illegal

distribution by government officials, destroying small arms that have been turned in, raising public awareness of the issue, and so on. For example, workshops for teaching citizens about the negative impact of small arms are conducted at four different levels—provinces, counties, communes and villages. Creating a flow of educational activities that goes from the larger community to the individual level helps the idea of peacebuilding penetrate effectively.

Arms turned in by citizens under the Weapons Reduction and Development for Peace Project are burned and destroyed under the direction of the Cambodian government. "Flame of Peace" ceremonies to destroy weapons have been held so far in Siem Reap and Banteay Mean Chey provinces, and 3,614 small arms have been destroyed in this way.

Concept Diagram for Peace Establishment



Source: Diplomatic Bluebook 2003

after attending previous support sessions. Meanwhile, other local doctors were able to get the most out of the equipment, so with their cooperation, JICS made arrangements for a second technical support session. The session was carried out in the local language, which helped participants understand better, and a lively question-and-answer session followed. In their answers to a questionnaire circulated after the session, many participants said that they had benefited from the training.

JICS intends to carry out detailed follow-ups in this way in the future, to ensure that procured equipment is used advantageously.

In February 2003, JICS supplied medical equipment for tuberculosis, general medical equipment, audiovisual equipment, fixtures and other items to the National Tuberculosis Institute (NTI) in Kabul. The Institute was built in 1970 with grant aid from the Japanese government, but the buildings had been heavily damaged during the civil war and the Institute had not been functioning since then. The buildings were repaired through an emergency development study by JICA (Japan International

Cooperation Agency), and the Institute resumed operation as Afghanistan's center for tuberculosis care and research in May 2003.

JICS also acted as procurement agent for five emergency grant aid projects ^(Note) including emergency procurement of water tank trucks to provide safe drinking water for impoverished people, for refugees returning from outside the country and for internally displaced persons, providing active support from the early stages of rehabilitation. JICS also signed a procurement agent contract for non-project grant aid with the Afghanistan government in January 2003. This was in conjunction with Japanese government funding of 6 billion yen to Afghanistan, which had financial difficulties and lacked foreign currency, for the purchase of equipment needed for education, public health and nutrition, transport, water supply and sanitation and other elements of the social infrastructure. These sectors were targeted by the provisional government's national development framework aimed at strengthening the government's administrative capabilities and indispensable for advancing the peace process. JICS is carrying out all stages of this procurement, beginning with equipment selection.

Note: Emergency Assistance to Afghanistan for Procurement of the Vehicles for Official Use, Emergency Assistance to Afghanistan for Medical and Health Care for Afghanistan, Emergency Assistance to Afghanistan for Water Tank Trucks, Emergency Assistance to Afghanistan for Maternity and Child Health Care, and the Programme for Improvement of the Trunk Road from Kabul toward Kandahar.



Sphygmomanometers procured by emergency grant aid are soon put to use.



Technical instruction given by a local doctor (left), in front of medical equipment procured.

Inventive Plan for Road Repairs

Support for Afghanistan includes many ways in which assistance has been rendered effectively for a country in urgent need of rehabilitation.

One example is improvement of the trunk road from Kabul toward Kandahar ^(Note). In ordinary circumstances, road building is preceded by studies lasting a certain amount of time. Meanwhile, roads are vital for revitalizing Afghanistan's economy, and it was urgent to start the project early. Accordingly, it was decided to provide support within the scope of the emergency grant aid framework to start, and a note verbale was exchanged on October 30, 2002. This project was later taken over by the road sector program grant aid for the Programme for Improvement of the Trunk Road from Kabul toward Kandahar, for which an Exchange of Notes was signed on May 4, 2003.

Road sector program grant aid takes into consideration local conditions under rehabilitation. Project I consisted of paving the road with a medium-duty surface capable of lasting 2-3 years. Paving was done over the relatively short period from May to December, 2003. Project II, paving with a surface with a life of 10 years, is planned to start from 2004. This is a good example of a two-stage approach to rehabilitation support, with initial temporary measures followed by rehabilitation from the long-term perspective.

Temporary paving was completed in December 2003. A completion ceremony was held on December 16, attended by Afghan president Hamid Kharzai, Kinichi Komano, Japan's ambassador to Afghanistan, over 60 members of the Loya Jirga (grand assembly) and many others. Representing JICS at the ceremony was Vice President Takeshi Imazu. This road repair project shortened travel time over this stretch of road from 15 to 5 hours, and it is hoped that the refurbished road will provide a stimulus for



The Trunk Road from Kabul toward Kandahar

The trunk road from Kabul toward Kandahar is part of a great ring road linking Mazar-i-Sharif, Herat, Kandahar and Kabul, the major cities of Afghanistan. JICS is handling repairs on a 50-km stretch of the road starting from Kandahar (part shown in — above). The Great Afghan Ring Road is 2,400 km long and is part of the country's major road network, along with the east-west highway linking Kabul and Herat. The ring road not only links up with roads to the north and south leading into neighboring countries, it also plays a vitally important role in an east-west transport network connecting the Indian Ocean and Central Asia and the Caspian Sea and East Asia.

local inhabitants' social and economic activities.

JICS is involved in road improvement projects studied and designed by JICA as an agent for the Afghanistan government. Under emergency grant aid, JICS' main role was procurement of equipment such as road repair equipment, asphalt, etc., and groundwork for a plant and supervision of construction.

Under road sector program grant aid, JICS not only procured equipment, it also selected and made a contract with a joint venture construction company carrying out road repairs. The task of supervising progress of facilities construction was one that JICS was carrying out for the first time, but Project I was completed on schedule in December and JICS will also supervise Project II of laying down a more durable surface over this stretch of road.

The above example demonstrates that JICS is involved not only in equipment procurement but has also begun



Newly-opened stretch of road between Kandahar and Kabul (photo taken at the 43 km point from Kabul).



Afghan President Hamid Kharzai expressing his gratitude to Japan during the completion ceremony.



Construction officials inspecting a proposed roadway site.

providing comprehensive support to maximize the effects of assistance.

Note: At a meeting between Japanese and Afghan leaders in New York on September 12, 2002, Japan and the United States pledged to assist in improving the trunk road between Kandahar and Kabul. The U.S. promised to contribute 80 million dollars and Japan 50 million dollars, and Saudi Arabia later also agreed to contribute 50 million dollars for road refurbishment on this segment. Japan handled repair work on the first 50 kilometers of the road starting from Kandahar.

Maintaining Domestic Stability and Public Safety

In the area of domestic stability and public safety, one of the three components for establishing peace, JICS has carried out the Project for Improvement of the Equipment for Afghan Police and the Research Project for Developing Mechanical Demining Machines in Afghanistan.

The Project for Improvement of the Equipment for Afghan Police involved creating a police wireless communications system for the Afghanistan police in Kabul and procuring wireless communications equipment, vehicles and traffic control equipment for traffic police activities.

In addition to equipment procurement, JICS also arranged for a Japanese NGO, BHN Association, to provide training over a two-month period, at police schools and Ministry of the Interior headquarters, to teach users how to operate the wireless equipment and transfer maintenance skills. This NGO is active in all parts of the world, dispatching technicians with extensive experience in the field of telecommunications networks and using that technology to bolster basic human needs, from which the group's name "BHN" is derived. This type of technical cooperation helps ensure that the equipment procured can be used effectively and made to last as long as possible.

Meanwhile, over 10 million landmines remain buried throughout the country, and more than 300 people per month become victims of landmines.

After the Soviet Union's withdrawal from Afghanistan in 1989, the United Nations established MACA (Mine Action Center for Afghanistan), which has been working with 15 NGOs to remove buried landmines in Afghanistan. At the Tokyo Conference held in November 2002, Japan identified demining measures as one of the prime areas of support for Afghanistan and contributed 25 million US dollars to

international organizations.

Japan and Afghanistan also signed an Exchange of Notes for grant aid for research on April 10, 2003. This "Research Project for Developing Mechanical Demining Machines in Afghanistan" grant aid for research is intended for research and development into mechanical demining



Afghan officials in Japan receiving a briefing on remote-control operation of mechanical demining equipment from manufacturer's staff.



Mechanical demining equipment developed based on existing construction equipment.

ning technology suited to Afghanistan’s natural environment, and JICS entered into an agent contract with an Afghanistan government organization for this project.

As part of research and development, nine individuals from four publicly recruited manufacturers took part in a field study from June 22 to July 4, 2003 to acquaint themselves with various conditions in Afghanistan in order to develop appropriate mechanical demining equipment. And between November 29 and December 14 the same year, 11 officials from the Afghanistan transitional government, MACA and demining NGOs came to Japan to attend a final briefing on mechanical demining equipment developed by Japanese manufacturers and observe product demonstrations. During their two-week stay in Japan, the group visited related domestic organizations and manufacturers in several locations throughout

the country.

Beginning in December 2003, JICS also recruited additional researchers for developing mine-clearing and mine-detecting equipment. The applications received were reviewed and evaluated by a selection committee consisting of Japanese and Afghan experts. After a field study by the researchers selected, plans are to carry out local testing of mine-clearing and -detecting equipment after June 2004.

Since demining operations in Afghanistan are currently carried out by hand, complete removal of all landmines would require huge amounts of time and labor. To improve safety and efficiency, methods of mechanizing this work are being investigated, and it is hoped that Japanese-made mine-clearing and -detecting equipment will make a contribution in this area.

Letters from Kabul

The local JICS office in Afghanistan opened on March 20, 2003. Here are a few letters written by representative Hiroshi Fukasawa in Afghanistan.

June 2003

Open for Operations

Afghanistan was once a thriving way station for the Silk Road trade. Kabul, the capital of Afghanistan, lies in a valley surrounded by mountains several thousand meters high. The JICS office in Kabul, on a hill to the west overlooking the city, and with a panoramic view of the surrounding mountains, opened just a few months ago.

When I arrived in late April, spring snow lingered on the mountains, which had a silvery sheen in the morning sun. The snow is long gone now, and the mountains ringing the city look like huge brown walls.

As we at the JICS local office begin our work to assist this country’s rehabilitation and dispense Japanese ODA, we are aware of our heavy responsibilities. We will work hard and try to make a difference.

November 2003

What “JICS” Means in the Local Language

The JICS office has been open for nearly seven

months now, and we are making headway with the projects we are handling. We also have the advantage of name value, given that Dari, the local language, also has a word with the same pronunciation as JICS that means “fashionable” or “wonderful.” No wonder JICS is such an easy name for local people to remember!

January 2004

JICS Office Moves to Residential Area

Our first office in Kabul was located in the Intercontinental Hotel. The hotel was also where I lived and where JICS staff traveling on business in Kabul stayed.

On November 22, shock waves from a bomb detonated on the hotel’s property by suspected Taliban elements shattered the windows in the office, although neither I nor other JICS personnel were injured. However, we all sought shelter at the local Japanese embassy that night.

Following the attack, JICS moved its office to its present location in December. The new office is a two-story house in a residential district. Many other foreign delegations are also in this district, which has several police checkpoints and is considered relatively safe. But to make doubly sure, we have hired security guards, deployed watchdogs, installed barbed wire and night lighting, and applied special film to the windows to prevent shattering.

Sierra Leone

Conflict Prevention in Cooperation with Britain

Sierra Leone was in a state of civil war for ten years, from 1991 to 2000. Working together with the United Nations, the government instituted a plan for disarming, demobilizing and reintegrating soldiers. In January 2002, the president of Sierra Leone declared that disarmament had been completed. However, the country's principal facilities and social infrastructure had been destroyed during the war, and the economy has been limping along due to damaged industry.

On May 5, 2003, JICS concluded an implementation management contract with NCDDR, the Sierra Leone government's National Committee for Disarmament, Demobilization and Reintegration. Under this contract, JICS is managing funds dispensed by the Japanese government for a social reintegration program^(Note) implemented with British support and carrying out a monitoring study to ensure the project's appropriateness and transparency. Through its joint participation in this project, the Japanese government is contributing not only to postwar rehabilitation but also promoting conflict prevention in cooperation with Britain.

A local monitoring survey carried out between September 24 and October 5 ascertained that this project was being administered effectively in terms of appropriate fund use and program effectiveness. The survey also determined that local citizens were aware that the projects were being carried out with the cooperation of the Japanese government.

Note: program operated by the British government in Sierra Leone. Its main projects include ascertaining the needs of former soldiers and war-affected people, effecting reconciliation between former soldiers and citizens, promoting sustainable development and utilization of agriculture and fisheries, supporting small businesses and improving the living environment and social infrastructure.



Approximately 20 projects were inspected during the local monitoring study. This photo shows a well built at a vocational training school under one of the projects. The well is used not only by students and teachers, but also by local residents.

East Timor

Supporting a Newly-independent Country

East Timor won independence from Indonesia in May 2002 and is currently engaged in nation-building, working to accomplish two major goals: eliminating poverty in all sectors and regions and promoting fair and sustainable economic growth, and improving health, education and other welfare. To this end, specific goals with emphasis on establishing good governance, developing the social sector, and promoting rural development and the growth of the private sector have been set.

But 41% of the population lives in poverty, because of poor economic conditions and high unemployment, and improving the country's economic structure is an urgent issue.

Rehabilitation and stability in East Timor, Asia's newest country, are vital to the stability of East Asia. The Japanese government has been extending support in various ways for the independent rehabilitation of the East Timor government since 1999. At the Donors' Meeting on East Timor in May 2002, the Japanese government pledged a maximum of 60 million dollars over three years for support for East Timor.

As part of this aid, the Japanese government decided to implement support through non-project grant aid of 300 million yen. Following the signing of an Exchange of Notes by the East Timor and Japanese governments in the capital of Dili on March 7, 2003, a procurement agent contract was signed between the East Timor government and JICS on April 4. This was JICS' first non-project grant aid procurement agent contract with East Timor. After studying the matter, the East Timor government decided to procure petroleum products (light oil), asphalt, cement, and electric generators. JICS began procuring equipment after this decision.



Container ship transporting petroleum products.

The Role of JICS in ODA

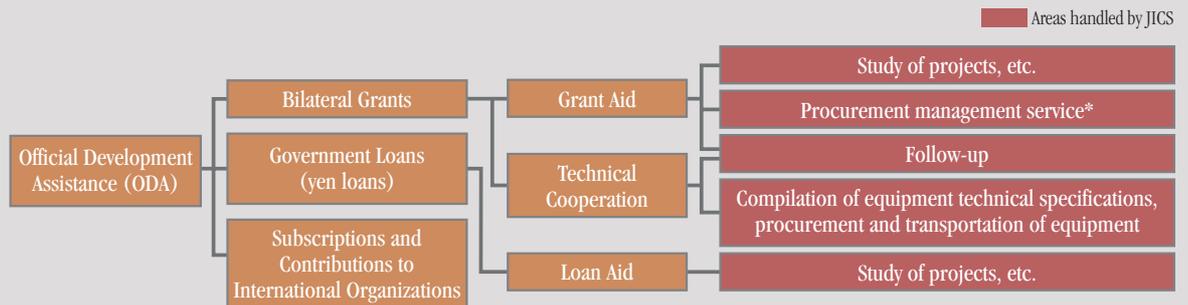
Working to Promote Grant Aid Projects and Smooth Implementation of Technical Cooperation Projects

The Japanese government provides official development assistance (ODA) as an important national policy in response to the expectations of the international community.

JICS plays an important role in implementing ODA through various supporting operations, mainly grant aid projects and technical cooperation projects. Since its establishment in 1989, JICS, as a fair and impartial pro-

urement agency, has built on its experience in equipment procurement to provide services appropriate for conditions in developing countries and that truly meet their needs.

JICS will continue to contribute to promoting a high standard of international cooperation by providing timely support for appropriate and effective implementation of assistance. The diagrams below describe the main projects in which JICS is involved.



* Through contracts with the developing country's government, JICS manages and supervises the overall tendering process for procuring equipment and services in connection with grant aid. In some cases, JICS supports the developing country's government, which implements projects, while in others it acts as the developing country's agent, handling all duties, from managing grant aid funds provided to making contracts with equipment suppliers. The latter system is referred to as the procurement agent system and is used for non-project grant aid, emergency grant aid, and grant aid for conflict prevention and peacebuilding.

Areas Handled by JICS in the Case of Grant Aid Projects

	Grant aid for general projects (grant aid for infectious diseases prevention and treatment)	Grant aid for increase of food production (2KR)	Food aid (KR)
Request, confirmation	Study of new proposals Project formulation study Master plan study Feasibility study	Requests for aid from developing countries	Requests for aid from developing countries
Preliminary screening	Selection of projects Instruction to implement service	Screening	Screening
Project formation	Decision to implement study Preparatory study Basic design study Support for study on small-scale equipment	Decision to implement study 2KR study support	Decision to implement study
Project final evaluation and approval	Final examination by Ministry of Foreign Affairs Cabinet decision	Final examination by Ministry of Foreign Affairs Cabinet decision	Final examination by Ministry of Foreign Affairs Cabinet decision
Project implementation	Expediting project implementation Procurement management service	Procurement management service	Procurement management service
Operation	Completion Start of provision Post-project monitoring study Confirmation study of conditions for equipment provided	Advisory services in connection with the Committee	Advisory services in connection with the Committee
Evaluation, follow-up	Post-project evaluation Follow-up study support Temporary measures for equipment and facilities provided Dispatch of revitalization experts	Completion	Completion

Grant Aid

Grant aid is a form of assistance whereby funds are provided to a developing country without repayment obligation, for a specific, agreed-upon purpose. Grant aid provides the necessary funds for building schools, hospitals and other facilities, procuring equipment for education, training and medical care, assisting rehabilitation after natural disasters and so on.

JICS is involved in the types of grant aid described below.

Grant Aid for Infectious Diseases Prevention and Treatment

Grant aid for infectious diseases prevention and treatment provides grant aid for vaccines and administration of therapeutic drugs to control various infectious diseases such as tuberculosis, malaria, AIDS and tetanus which threaten lives in developing countries.

JICS has been delegated by JICA since 1997 to carry out studies in Japan and on site concerning equipment needed

in the field of infectious diseases control. Following these studies, JICS then carries out procurement management based on a contract with the developing country's government.

Since grant aid for infectious diseases control must be provided speedily and the validity period of vaccines and drugs is also limited, project management always demands swiftness and accuracy. In its role as a procurement management agent, JICS contributes to improving health and medical care in developing countries.

Grant Aid for Increase of Food Production (2KR)

Grant aid for increase of food production (2KR) is grant aid provided for buying agricultural equipment such as machinery or fertilizer to help increase production of food crops (rice, wheat, maize, etc.) in developing countries where there are food shortages. This grant aid, begun in 1977, is implemented yearly in Asia, Africa, Central and South America, Eastern Europe, CIS countries, and others. Since this grant aid started following food aid (KR), it is called 2KR.

JICS has been delegated by JICA since its founding in 1989 to carry out studies in Japan and on site.

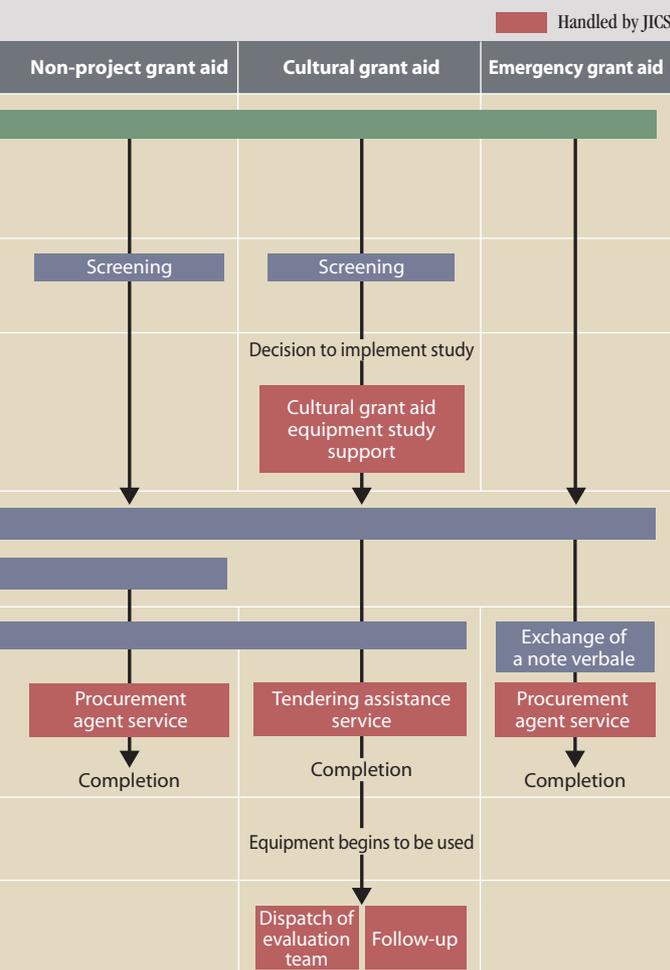
Additionally, since FY1997 JICS, in accordance with contracts with developing countries' governments, has been serving as a procurement management agent contributing to fair and rapid procurement of agricultural equipment. It also acts as the secretariat for intergovernmental committees following up on how the equipment procured was distributed and monitoring accumulation of counterpart funds ^(Note).

Note: The developing countries' governments set aside local currency funds in a bank, equivalent to a certain amount of the value of the equipment procured. After discussions with Japan through its local embassy or legation, the country can then use the counterpart funds for projects contributing to economic and social development.

Food Aid (KR)

Food aid (KR) is grant aid provided to developing countries with food shortages for the purpose of buying rice, wheat, maize or other grains. Based on the food aid rules of the International Grain Agreement which came into effect as part of the Kennedy Round (KR) at GATT in 1967, food aid began in 1968 and is referred to as "KR" because it came out of the Kennedy Round.

Since FY2001, JICS, in accordance with contracts with developing countries' governments, has been serving as a procurement management agent helping ensure the fair



and rapid procurement of food. It also acts as the secretariat for intergovernmental committees following up on how the food procured was distributed and monitoring accumulation of counterpart funds.

Non-Project Grant Aid

Non-project aid is grant aid intended to provide rapid support to developing countries with economic difficulties such as growing accumulated debt or a rising international balance of payments deficit, as part of assistance to improve the country's economic structure. Since this aid is not earmarked for specific projects (e.g. building schools, etc.), it is called non-project grant aid.

Since FY1993, JICS, in accordance with contracts with developing countries' governments, has been helping procure the necessary equipment, such as raw materials (petroleum products, steel products, paper products, etc.) needed to improve the country's economic structure and machinery (industrial machinery, construction equipment, etc.) required for public works projects.

Grant Aid for Conflict Prevention and Peacebuilding

Grant aid for conflict prevention and peacebuilding has been provided since FY2002 as a scheme within non-project grant aid. JICS has been delegated with implementation management duties for the first application of this grant, in Cambodia. This grant aid provides funds for procuring the necessary equipment and services for conflict prevention and peacebuilding programs in developing countries which assist reintegration of former soldiers, help recover small arms, and promote positive relations among citizens.

Emergency Grant Aid

Emergency grant aid is grant aid provided for emergency assistance and support as described below.

In accordance with contracts with the governments of developing countries, JICS manages procurement of food, medical equipment, drugs, vehicles (water tank trucks, police vehicles, etc.), construction equipment and so on needed for this grant aid. Depending on circumstances, JICS also carries out its own monitoring of how the equipment is being used after procurement (see p.18).

(1) Emergency disaster assistance

Support for rehabilitation after natural disasters or man-made disasters such as civil war.

(2) Support for democratization

Support for the establishment of democracy after the collapse of undemocratic regimes or in the aftermath of long-running civil conflict.

(3) Assistance for reconstruction and development
Rehabilitation support for smooth implementation of the rehabilitation and reconstruction process in countries or areas involved in conflicts. Includes emergency and humanitarian support for refugees and affected people before the restoration of peace, and bridge support until development assistance begins after a certain period after peace has been restored.

Cultural Grant Aid

This grant aid provides funds for purchasing, transporting and installing various types of equipment used for cultural and educational activities (audiovisual equipment, sound and lighting equipment, research equipment, sports equipment, Japanese-language education, etc.), with the aim of promoting mutual understanding and friendship between Japan and developing countries through support for the development of culture and education.

Delegated by the Ministry of Foreign Affairs of Japan, JICS began carrying out preliminary studies both in Japan and on site concerning equipment requested for this grant aid in FY1993. Since FY1995, in accordance with contracts with developing countries' government organizations, JICS has assisted with tendering (invitation to bid, implementation and evaluation of the tendering process) for equipment procurement. Additionally, since FY2000, JICS has been carrying out follow-up activities by procuring repair parts and dispatching technicians to ensure that the equipment procured is used continuously and effectively.

Through preliminary studies, tendering assistance and follow-up activities, JICS promotes mutual understanding, cultural exchanges and friendly relations between Japan and countries receiving assistance, and ensures that ODA is implemented efficiently and effectively.

Grant Aid for Research

This grant aid supports research activities into various problems affecting developing countries, and supports research and development and commercialization of new technologies for products intended for developing countries.

Since FY2001, in accordance with contracts with the governments of developing countries, JICS has been managing grant aid provided for research and development activities into problems in developing countries, and offering coordination and support to ensure that activities between researchers and manufacturers in Japan and developing countries are carried out smoothly.

Technical Cooperation

The aim of technical cooperation is to pass on Japan's skills and knowledge to create human resources that can be productive for the future, to promote nation-building in developing countries. Representative projects in this area include technical training of participants from developing countries, dispatching experts and volunteers to developing countries, technical cooperation projects, development studies, international emergency assistance, and equipment provision. Equipment provision is a project for providing equipment needed for transferring technology from person to person and constitutes a major component of technical cooperation.

Since its establishment in 1989, JICS has been delegated by JICA to handle equipment provision. JICS assists by writing out technical specifications necessary for equipment procurement, selecting suppliers through tendering, etc., handling equipment transportation and other procurement-related duties, providing information about equipment, etc., and carrying out various studies in Japan and abroad.

Yen Loans

Yen loans, also referred to as loan aid, are long-term, low-interest loans of development funds to developing countries through the Japan Bank for International Cooperation (JBIC). In FY2003, JICS, delegated by JBIC, carried out studies aimed at improving the implementation system for yen loan projects.

Follow-up Activities

JICS undertakes the following follow-up activities, to ensure that equipment procured with ODA funds is being used effectively.

Follow-up Studies

Once cooperation in developing countries has been completed, various projects are maintained and operated by the developing countries themselves. However, project implementation is sometimes hampered by equipment breakdowns or lack of funds. To help in this situation, JICA carries out follow-up cooperation as needed, providing support to ensure that the effects of support to developing countries can be sustained.

JICS, delegated by JICA, carries out follow-up studies to ascertain the current condition of facilities and equipment, parts needed for repairs and so on, to ensure that facilities built and equipment procured using grant aid

can be used continuously and effectively. JICS also carries out follow-up studies and equipment maintenance and management studies for equipment procured through technical cooperation.

Operation of the Technical Information Center

To remedy the shortage of technical information required for operating and maintaining medical equipment procured to developing countries through grant aid, JICS has established an information center in cooperation with Overseas Medical Equipment Technical Assistants (OMETA), to provide one-stop access for staff in charge at local medical institutions.

Support for Database Creation

Delegated by JICA, JICS is carrying out various basic studies concerning grant aid. It is also providing support for building a database related to grant aid and technical cooperation.

NGO-related Projects

JICS supports NGO activities from several different perspectives.

Support for Non-Governmental Organizations

As one of JICS' own projects, support for NGOs began in FY1999. Under this project, JICS provides funding of a maximum of one million yen per year per NGO to relatively small Japanese NGOs to support their activities. This funding is made available to approximately ten NGOs per year.

Grant Aid for Japanese NGO Projects

Grant aid for Japanese NGO projects is grant aid provided for economic and social development or emergency humanitarian support projects by Japanese NGOs in developing countries.

Delegated by the Ministry of Foreign Affairs of Japan, JICS has been carrying out preliminary studies for Japanese NGO grant aid since FY2003. These preliminary studies are intended to evaluate the goals, content, and appropriateness of size and funding required for proposal applications submitted by NGOs. If necessary, local studies are also conducted. Through this activity, JICS contributes to strengthening the partnership between the Japanese government and NGOs and to the further development of NGO activities.

More Countries Receiving Assistance in a Wide Variety of Projects

China

Measures for Preventing Reoccurrence of SARS

By May 2003, six months after it had first surfaced in China's Guangdong Province the preceding November, it was reported that Severe Acute Respiratory Syndrome (SARS) had infected 5,124 persons and killed 267, and there were strong concerns that the disease would spread more widely. In response to a request by the Chinese government, which was doing all it could to prevent more SARS contagion, the Japanese government decided on May 16 to implement 1.5 billion yen in emergency grant aid.

Following this, Lu Shu Yun, Minister-Counselor at the Chinese embassy in Tokyo, and Takeshi Imazu, JICS vice president, signed a procurement agent contract, and JICS

immediately began procurement operations at China's request. In the one-month period to June 20, when procurement operations ended, JICS had procured 14 types of medical equipment, including protective items, sterilizing



Signing of the procurement agent contract on May 16.

equipment, mobile X-ray equipment, artificial respiration equipment, and ICU monitor sets. The first shipment of protective items and medical equipment (valued at 170 million yen) reached Beijing on May 29, followed by five deliveries in June, five in July, and the last delivery of procured equipment taking place on August 7.

On September 5, JICS received a delegation from China's Ministry of Commerce, headed by Wang Xing Gen, Deputy Director of the Department of International Trade and Economic Affairs, who expressed China's thanks for the Japanese government's emergency grant aid and for rapid and reliable procurement carried out by JICS.

In October, the first JICS monitoring team, headed by vice president Imazu, was dispatched to China to check on deliveries and distribution of the procured equipment. The team visited medical facilities in Beijing, Tianjin, Shijiazhuang, Baoding and Tangshan, and carried out a study on distribution and use of the procured equipment through meetings with officials from the Ministry of



JICS staff carrying out a pre-shipment inspection at a warehouse near Narita Airport.



Health, provincial and municipal health authorities and hospitals.

The equipment procured had been distributed to hospitals and public health centers in 19 provinces, three directly-controlled municipalities and four autonomous regions, in accordance with plans by Chinese officials. The equipment was used to diagnose and treat SARS, and for measures, now being implemented throughout China, to prevent the reoccurrence of SARS.

Artificial respiration equipment



Defibrillator



Mobile X-ray equipment

Ethiopia

Food Aid Quickly Supplied to Drought-stricken Residents

Grain harvests in Ethiopia were severely affected by widespread drought in FY2002 and required 1.7 million tons of emergency food aid in FY2003. In view of the serious situation, the Japanese government decided on early implementation of food aid (KR) for Ethiopia.

On March 4, 2003, the date the Exchange of Notes between Japan and Ethiopia was signed, JICS dispatched staff to Ethiopia, who signed a procurement management contract with the Ministry of Finance and Economic Development (MoFED), the Ethiopian government agency handling international aid, the following day. After consultations with the Disaster Prevention and Preparedness Commission (DPPC), which would be in charge of implementing the aid, conditions for procurement of the food requested (in this case, wheat) were decided on. Because the cargo was foodstuffs, it was necessary to establish procurement conditions that emphasized speed and that would keep damage to the shipments to a minimum.

After JICS staff returned to Japan and the necessary procedures were completed, tendering was conducted in Japan on April 14 to select and make a contract with a supplier. JICS staff kept in close touch with the supplier and DPPC, monitoring transport to ensure that the shipments were safely delivered and arrived in Ethiopia on time.

The wheat, which had arrived at two central warehouses in Ethiopia by June 25, was transported to DPPC regional warehouses in drought-stricken areas without delay, in accordance with distribution plans drawn up by DPPC and others. By August, it was confirmed that all the wheat delivered had been distributed to end users.

Distribution was completed in the short span of four months from the time the Exchange of Notes was signed. This was accomplished thanks to good teamwork, the shared awareness that it was vital to deliver aid to the people affected before food shortages became most acute (the rainy season, which is usually in July and August), and because DPPC was able to get the food aid from central warehouses to end users within approximately one month.

At an intergovernmental committee meeting held in Ethiopia on January 21, 2004, attended by MoFED, DPPC and Ethiopian government ministries, and by representatives from the Japanese embassy in Ethiopia, with staff

from the JICA Ethiopia office on hand as observers, the Ethiopian side provided a detailed description of how the wheat was distributed within the country, and where and to whom it went.

Committees provide an opportunity for officials from the respective countries' governments to meet and verify how the aid was distributed within the recipient country, ensuring that assistance is rendered in the most transparent and efficient way and that it meets local needs. JICS played a role as the secretariat at the committee stage by coordinating schedules prior to the meeting and helping chair the proceedings.

Ethiopian aid officials reported that the wheat provided by Japan had reached a cumulative total of 2,685,313 people in the target regions, equivalent to 12.5 kg of wheat per person, distributed free of charge. They thanked Japan again for its help and expressed the hope that Japan would continue to extend cooperation.



Unloading the wheat on arrival in Ethiopia.

Tanzania

Cooperation for HIV/AIDS Control

With HIV prevalence in Tanzania increasing rapidly, the government of Tanzania designated HIV/AIDS a national priority in 1985 and instituted measures to deal with the problem. In 2002, the government formulated the “Health Sector HIV/AIDS Strategy for Tanzania 2003-2006.”

Meanwhile, implementation of the Expanded Program on Immunization (EPI) necessitated replacement of cold chain equipment or conversion to new gas-powered refrigerators.

The Tanzanian government requested Japan’s grant aid for the equipment needed for these programs. Following the Exchange of Notes concerning the Project for Infectious Diseases Control (Phase I) between the two governments on July 9, 2002, JICS signed the agreement regarding consulting services on the Project with the Tanzanian government on August 7. As the final stage of consulting services, JICS staff inspected the procured equipment on site from the end of May to early June 2003.

The equipment which was inspected included HIV rapid test kits and syphilis test kits, equipment for laboratories, equipment for prevention of secondary infections, drugs for sexually transmitted infections (STIs), gas-powered refrigerators, thermometers and other cold chain equipment, vehicles for monitoring, computers for data management and others. JICS staff also discussed a distribution plan for the equipment with the Ministry of Health, and also had discussions with the Ministry of Finance and the Tanzania Revenue Authority to arrange smooth tax exemption and customs clearance of the equipment deliveries.

Following the Project (Phase I), an Exchange of Notes concerning the Project for Infectious Diseases Control (Phase II) between the two governments was signed on July 29, 2003, and JICS signed the agreement regarding consulting services on the Project with the Tanzanian government on August 4. Tenders were opened on October 7 and



Inside MSD (Medical Stores Department). Most equipment procured is stored here temporarily before being distributed to its final destinations according to the plan of the Ministry of Health.

suppliers were selected.

Since European-made equipment and drugs are often procured under grant aid for infectious diseases control, JICS staff stopped over in Europe on their way to and from equipment inspections in Tanzania to visit manufacturers of HIV test kits and drugs in the Netherlands, Germany, Denmark and elsewhere in Europe. This gave us an opportunity to explain the Japanese grant aid system and to discuss transportation methods, product specifications and so on with our European counterparts, to promote understanding of grant aid for infectious diseases control carried out by the Japanese government. We also discussed how to communicate with the various European companies, in order to implement projects effectively and efficiently.



4WD vehicle used for EPI monitoring and surveillance activities.



Equipment inspection by JICS staff.

Senegal

Support for Textbooks Provided for the First Time, to Improve the Quality of Elementary Education

The Senegalese government formulated a 10-year plan aiming for an elementary school enrollment rate of 100% by 2010. As part of its efforts to improve the elementary school environment, the government also set out “Le Projet de Fourniture des Manuels et des Equipements Scolaires pour les Apprentissages (The Project for Provision of Textbooks and School Equipment for Students).”

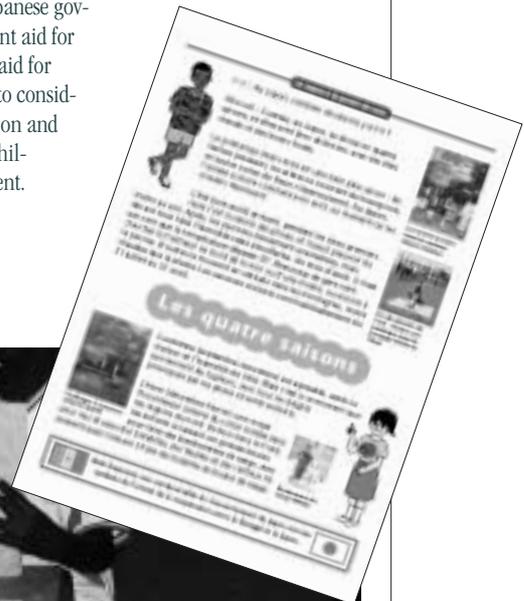
The Japanese government has been providing grant aid since FY1991 for the construction of elementary school classrooms, but Senegal is still behind as far as teaching materials and other ‘soft’ infrastructure are concerned. Accordingly, Senegal requested grant aid for procuring textbooks and educational equipment needed in order to implement its plans from the Japanese government.

This project is JICS’ first grant aid for child welfare^(Note) in the educational field. It is hoped that the synergistic effect of supporting elementary education through physical infrastructure and textbooks, teaching supplies and equipment will contribute to improving the quality of education in Senegal.

On November 15, 2002, JICS signed a procurement management agreement for the above plans with Senegal’s Ministry of Education and procured textbooks and other materials.

At the handover ceremony on October 1, 2003, children expressed their thanks through songs and dances, and the event was reported as top news in the local national newspaper. This was the first time that the Senegal government had received such extensive assistance for textbooks and equipment, and the Education Ministry and educators were very pleased.

Note: In FY2000, the Japanese government broadened grant aid for child health into grant aid for child welfare, taking into consideration primary education and the role of mothers in children’s sound development.



Textbooks contain information about Japan. JICS was involved in textbook editing, in order to stimulate familiarity with and interest in Japan.

Nepal

First Procurement Agent Contract for Non-Project Aid

An Exchange of Notes providing 1.3 billion yen in non-project grant aid was signed between the governments of Japan and Nepal on November 8, 2002. In December that year, JICS dispatched a study team to Nepal to explain the non-project aid scheme; a procurement agent contract between JICS and Nepal's Ministry of Finance was signed on December 7.

Although Japan is a leading donor whose aid accounts for 30-40 percent of all bilateral aid to Nepal, this was the first time that non-project grant aid was implemented. For this reason, there was strong interest within Nepal's Ministry of Finance, the scheme's implementing body. The briefing JICS held on non-project grant aid at the ministry, using a projector, attracted approximately 20 people, from vice-ministers to officials coordinating international aid.

In October 2003, an intergovernmental committee composed of Nepal Ministry of Finance and Japanese embassy representatives was held, which JICS attended as an observer. The committee selected end users and confirmed distribution of funds to end users and distribution of procured items and funds.

Based on the results of this committee, another JICS study group was dispatched in December 2003 which held meetings to iron out the details concerning tendering and procurement conditions.



A liquid nitrogen generator used for preserving bull semen, installed at the National Animal Breeding Center in the regional city of Pokhara.

Jordan

Six Billion Yen Provided to Support Countries Neighboring Iraq

On April 6, 2003, an Exchange of Notes for non-project grant aid to Jordan was signed. This was followed by the signing of a procurement agent contract between Bassem Awadallah, Jordan's planning minister, and Hiroyuki Arai, secretary general of JICS, in the presence of Japanese ambassador to Jordan Koichi Obata.

This is the eighth time that the Japanese government implements non-project grant aid to Jordan, contributing 6 billion yen in support because Jordan, which is located next to Iraq, has been affected by the Iraq War.

Funds contributed this time will be used to procure wheat for the Jordanian people. Jordan depends on imports for most of its food, and since it has only limited capacity to earn foreign currency through tourism and other sources due to the Iraq War, it is hoped that this grant aid will help improve the country's financial situation.



*A flour mill on the outskirts of Amman.
(Top) A grain silo.
(Bottom) The control panel inside the flour milling facility.*



Uzbekistan

Cultural Grant Aid for the Uzbek State Conservatory

JICS, delegated by the Japanese Ministry of Foreign Affairs, conducted a study on musical instruments and audio equipment requested for the Uzbek State Conservatory in February 2002.

The Uzbek State Conservatory, founded in 1936, is Central Asia's oldest and largest music school. In addition to providing musical education, the Conservatory has played an important role in promoting music in Uzbekistan, holding various types of concerts in the Conservatory's 300-seat auditorium and a 900-seat theater outside the Conservatory. The Conservatory also actively conducts musical and cultural exchanges, for example inviting Japanese violinist Mariko Senju to give music classes.

The Uzbekistan government is short of funds and requested cultural grant aid from the Japanese government to purchase new musical instruments and audio equipment essential for the Conservatory's activities. Delegated by the Japanese Ministry of Foreign Affairs, JICS conducted a local study, including meetings with officials of the Conservatory to determine the appropriateness of the equipment request and investigate management of the equipment, including location of installation, compatibility with other equipment, servicing system and the need to dispatch installation technicians.

Based on the results of this study, the Japanese and Uzbekistan governments signed an Exchange of Notes concerning implementation of this cultural grant aid on December 9, 2002. Afterwards, JICS continued to assist with tendering, including announcing tenders, preparing tender documents, opening tenders and evaluating tendered bids regarding procurement of the musical instruments and audio equipment through grant aid.



At the Uzbek State Conservatory (photo shows a piano already at the Conservatory).

Uzbekistan

Protecting the Silk Road's Cultural Heritage

On January 28, 2003, an Exchange of Notes concerning the Project for Improvement of Equipment for Preservation of Cultural Heritage in Khiva, Bukhara, Shakhrisabz, Samarkand and Other Areas was signed. On March 14, JICS signed a procurement management contract with the Uzbekistan Ministry of Culture.

Uzbekistan is a focal point of the Silk Road and has four World Heritage sites, the largest number in Central Asia. However, many of these sites are in danger of collapse, and the aim of the Project is to procure equipment to assist preservation and restoration activities and contribute to preserving this valuable cultural legacy.

Tender opening took place in Japan on June 2, 2003 to select the supplier, and surveying equipment, boom lifts, crane-equipped trucks and other equipment were handed over to the Uzbekistan government.



Restoration work at Ak-Saray Palace, Shakhrisabz.



Tiles at Registan Square in Samarkand.



A training session conducted using procured equipment.

Indonesia

Support for Research in Preparation for Decentralization

Grant aid for research supports research activities into various problems such as economic difficulties and other issues affecting developing countries, and supports research and development and commercialization of new technologies for products intended for developing countries.

Following the collapse of the Suharto regime in 1998, Indonesia has adopted a decentralization policy, which is also an important issue from the viewpoint of remaining a nation. This grant aid for research supports research activities by Japanese and Indonesian researchers intended to formulate recommendations concerning Indonesia's decentralization policies.

In accordance with a contract for operation management duties between JICS and the Indonesian government's National Development Planning Agency (BAPPE-NAS) signed on March 14, 2003, JICS is supporting the operation of this project as an implementation agency.

The most important event of this research project activity was the "Exit Symposium" held in Jakarta on September 4 and 5, 2003, which included officials from the central (Ministry of the Interior, Ministry of Finance, National Development Planning Agency, etc.) and local governments and staff from the Japanese embassy in Indonesia, JICA, JBIC and international organizations as participants. At the symposium, Japanese and Indonesian researchers described the results of their joint research and there was lively discussion among participants concerning decentralization issues in Indonesia.

The research team of Indonesian and Japanese researchers made their recommendations, which reflected discussions at the symposium, to the Indonesian government in February 2004. As the closing event of the research activities, "Exit Workshops" were also held in three locations in Indonesia at around the same time. At these workshops, researchers described their findings concerning decentralization in simple terms to local government staff. Local government staff also had a chance to describe the problems they faced in the field, which researchers commented on and which allowed them to learn about new problems.

Ecuador

Preservation of the Galapagos Ecosystem

The Galapagos Islands, located in the Pacific Ocean off the coast of Ecuador, are known for their precious ecosystem and the presence of unknown plants and animals.



What the Visitor Center will look like when completed.

World-wide interest is focused on preserving this site. In the interests of environmental preservation, JICA has dispatched four study teams to Galapagos to conduct studies on preservation of the Galapagos ecosystem.

Following these studies, JICA decided to implement a technical cooperation project to preserve the waters around the islands. The project involves installing a telecommunications network and monitoring system for maritime preservation that will facilitate field studies on the ecosystem and tourism and providing equipment for using a database. Construction of a visitor center, research facilities for providing environment education to island residents and travelers to the islands, and carrying out environment education activities for children, is also planned.

Prior to implementing this project, JICA dispatched a study team to Galapagos in August 2003 for purposes of final confirmation of the project implementation system between the Direction of the Galapagos National Park and the Charles Darwin Research Station. A JICS staffer with expertise in construction was a member of the team. In addition to verifying specifications and equipment which had been requested, this staffer also inspected several potential sites and selected a construction site, and visited similar facilities such as a Visitor Center built with the cooperation of the Spanish government, to check how existing facilities and equipment were being used. He also carried out a study of construction companies to learn about building conditions as well as prices and procurement methods for construction equipment and materials, and was involved in the creation of a basic design for the facility (see above).

Grant Aid for Japanese NGO Projects

Study Operations Delegated

Grant aid for Japanese NGO projects refers to grant aid through which the Japanese government provides funds for economic and social development and emergency humanitarian support projects carried out by Japanese NGOs in developing countries. This grant aid was created by combining two programs: support for Japanese NGOs through grant assistance for grassroots projects, and grants for supporting NGO emergency activities, initiated in FY2002 in support of Japanese NGOs.

This aid takes the specific forms described below:

- 1) Support for economic and social development cooperation projects that have a direct effect at the grassroots level
- 2) Support for NGO partnership projects in which Japanese NGOs implement development cooperation activities together with other Japanese or foreign NGOs
- 3) Grant aid for NGO emergency humanitarian assistance projects
- 4) Assistance with transportation costs for recycled goods
- 5) Micro-credit capital assistance
- 6) Assistance for anti-personnel landmine-related activities

In FY2003, JICS was delegated to carry out studies relating to applications and implementation of this grant aid. Studies of application proposals involve studying applications submitted by NGOs and determining whether plan contents, equipment and facilities, and prices for equipment and facilities, are appropriate. In the case of projects currently being implemented or completed, JICS carried out field studies, as necessary, to verify matching with the plan and how the project is being or was executed.

In FY2003, JICS handled studies in Japan for 64 cases (including repeat studies), as well as three field studies, in

Afghanistan, Sri Lanka and Thailand. For the projects in Sri Lanka and Thailand, studies were carried out to check plan contents, implementation system and progress of mine-clearing projects implemented by NGOs.



Field study for the Thai landmine-clearing project.

Support for Non-Governmental Organizations

JICS' Own Cooperation

To commemorate its tenth anniversary, JICS began supporting NGOs in FY1999. This project aims to support Japanese NGOs carrying out aid activities in developing countries, to contribute to the further growth of joint public-private international cooperation activities.

In FY2003, the fifth year of this project, JICS offered a maximum of one million yen per proposal to Japanese NGOs for purchasing and transporting equipment needed for their activities, and for operating expenses for field projects and administrative offices. This support for NGOs was announced on the JICS website, international cooperation journals and other pertinent media in September, and JICS received applications from many groups by the deadline at the end of October.

These applications were evaluated and recipients selected by a support for non-governmental organizations examining committee, which also included outside experts. The 11 groups listed below were selected to receive support. JICS will monitor these groups' activities, receiving regular reports from them on how its support for NGOs is being implemented.

Name of Group	Target Country	Description of Project
Africa Reconciliation Committee: ARC	Rwanda	Program offering women who lost husbands or families in civil strife vocational training at vocational training centers or micro-credit, to help them become economically independent
Aizu Sakura-Lanka Kai	Sri Lanka	Providing used fire-fighting vehicles donated in Japan to Sri Lanka, which has a shortage of fire-fighting vehicles and ambulances
Bondoo Tokachi	Bangladesh	Offers scholarship assistance for 25 children belonging to the Hindu minority in that country who are hoping to attend public schools
Hokkaido NGO Network	Japan	NGOs get together to hold the Hokkaido International Cooperation Festa and report on their activities, in order to give Hokkaido residents a better understanding of international cooperation
The Institute for Himalaya Conservation (NPO)	Nepal	Dispatched technical experts to teach local people how to make cheese for sale to foreign tourists in order to earn cash, and refurbished a refrigerated storage area so that it could be maintained and used to store cheese
InterBand (NPO)	Cambodia	Provides funds for family support and offers guidance for establishing small family businesses to demobilized soldiers and their families; has also established a scholarship fund for children, to help them become independent
Japan Overseas Cooperative Association/Old Volunteers of Panama (JOCV/OVOP)	Republic of Panama	Teaches local residents orchid cultivation skills at an orchid protection center established with grant assistance for grassroots projects, to protect endangered species of wild orchids
Mulindi Japan One Love Project	Rwanda	Provides visiting health care for disabled persons in many regions of the country affected by the civil war in 1994, and makes and distributes prosthetic appliances on location
Nomad International (NPO)	Georgia	Improved the facilities at the library room for children aged 13-16 in the Lado Asatiani State Children's Library and donated 600 Georgian-language books in an attempt to increase the number of users
The Society for Education Support for Sri Lankan Children	Sri Lanka	Provides used Japanese bicycles to children living far away from schools who would otherwise be unable to attend
Tanba Green Force	Philippines	Built a simplified water supply system to provide a stable water supply and ensure sanitary conditions in villages devastated by the Mt. Pinatubo eruption, and will endeavor to install a tap water system equipped with filtration equipment

JICS Support for NGOs
Projects in FY2003 (in alphabetical order)

Reforms for Appropriate and Effective Implementation of Operations

At the second Board of Trustees/Board of Directors meeting for FY2002 held on March 19, 2003, the FY2003 policy for implementation of operations was approved. This policy states that “to minimize the impact of reductions in the ODA budget, JICS should endeavor to develop new projects, and in the light of debate concerning reform of public-service corporations, take action to streamline its organization and reduce expenses and make renewed efforts to create a system for improved reliability and rapid and efficient implementation of its operations.” It was also decided to move the JICS office to a different location, because of the end of the lease term and to cut down on expenses.

In accordance with this policy, JICS began taking measures to improve its operations, including changing its internal organization, taking the first step by moving its office to new quarters on April 28, 2003.



President Yutaka Nomura describing JICS' current situation at the Board of Trustees meeting.

Moves to Reorganization

Integration within the Grant Aid Management Department

Coinciding with the move to a new office, the implementation system for operations was reevaluated, and on May 1, 2003, three divisions within the Grant Aid Management Department—the First Division for Increase of Food Production, the Second Division for Increase of Food Production, and the Non-project Grant Aid Division—were incorporated into a new Procurement Management Division in the same department.

Establishment of the Office of Management Audit

With funding for ODA becoming scarcer every year, one of the concrete measures related to ODA reform adopted by the Japanese Ministry of Foreign Affairs has been a stricter oversight policy. JICS, which assists in the ODA program, is also a target of this policy, thus necessitating even more strin-

gent efforts to ensure that operations are sound and appropriate. Accordingly, the Office of Management Audit was established on May 1, 2003 to carry out internal audits.

The role of internal audits is to support management of the organization and work effectively for overall improvement, by thoroughly evaluating operations, bringing up problems if they exist and requiring improvements. The Office of Management Audit examines the entire organization, necessitating that it be independent from various departments, and accordingly it is under the direct authority of the vice president.

Internal auditing will fulfill its role by following up on verification of the soundness and appropriateness of operations, identification of problems and the improvement process. In detail, the basics of internal auditing involve interview hearings and document checks to identify problems and to discover the source of those problems.

Auditing will be carried out in the areas of compliance, management and supervision of duties, clerical affairs management, contract management, income and expenditure management, personnel affairs management and information management.

New Internal Structure

The JICS organizational structure was revamped on October 1 in the ways described below in order to achieve the aims stated here.

Aims

- i. To devise a medium- to long-term management strategy and reinforce the organization in its endeavors regarding new projects, in order to better respond to new developments in Japan's ODA
- ii. To reform personnel and other systems to create a new structure capable of dealing with immediate management issues
- iii. To create an organizational structure allowing the flexible use of personnel in order to respond to changes in the project environment

Highlights of organizational reform

- i. The functions of the General Affairs Division were strengthened and responsibilities for operations related to new projects were shifted to other divisions following phasing out of the Planning & Development Division
- ii. The Office of Personnel Affairs was established, and reforms in procurement operations were promoted by the Senior Coordinator in charge of contract examination
- iii. The overall organizational structure was simplified

Establishment of an Office of Personnel Affairs

In conjunction with internal reorganization on October 1, a new Office of Personnel Affairs, which will handle personnel matters, was established. The General Affairs Division had previously handled personnel and labor administration matters while the Finance and Accounting Division was in charge of salaries, but to improve administrative efficiency, the Office of Personnel Affairs was created to establish a clear separation between the operational departments and the personnel administration department.

The new Office of Personnel Affairs will handle duties related to JICS human resources—personnel management, training, salaries, welfare, labor administration and so on. One important duty of this office will be to smoothly implement the new personnel and salary system planned for April 2004.

Advisory Council on Management

Formulating the JICS Vision

The Advisory Council on Management was formed in March 2003 to formulate a future vision for JICS and identify current issues which JICS should address. Opinions have been actively exchanged each time the Council, which serves as a forum for JICS staffers to present their views, has met. Following various discussions, the JICS Vision (see p. 2), the priority issue since the Council's formation, was decided on at the ninth meeting of the Council, in October 2003.

This Vision presents a clear picture, to JICS staff members and outside parties, of the direction in which JICS should proceed. From now on, JICS will carry out its activities and work toward making this Vision a reality.

The Council's three committees—for procurement method improvement, accounts structure improvement, and public relations strategies—also presented their final recommendations at this time.

The procurement method improvement committee drew up a draft of JICS' own procurement guidelines which will constitute the basic framework for JICS procurement activities. The final version of the guidelines will be publicly announced after coordination with the concerned domestic organizations.

The accounts structure improvement committee stressed the importance of getting a more accurate understanding of the income and expenditures structure in

order to manage operations budgets more appropriately and effectively. The committee's report highlighted the need for analyzing revenues and expenditures from different perspectives, for example by operation or on a per-project basis, in addition to the usual department/division-based accounts management.

The public relations strategies committee presented various recommendations concerning steps that JICS should take to communicate information more actively.

In order to implement these recommendations, task-forces will be set up that will take action toward making reforms in various areas.

Tackling New Issues

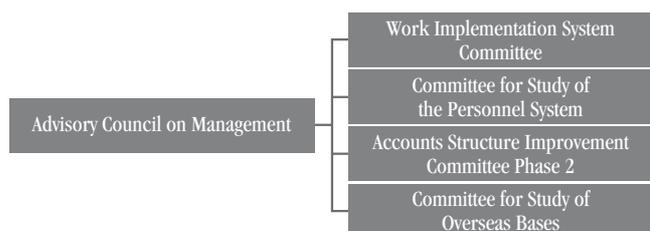
Based on discussions leading up to formulating the JICS Vision at the October 2003 meeting of the Advisory Council on Management, various topics taken up at earlier meetings were reviewed and it was decided to continue discussions concerning accounts structure improvement and other issues, as well as to study new issues, under the structure described below.

With the outline of the new personnel system planned to start from April 2004 now finalized, employees will be briefed on the system and training sessions for personnel evaluators will be held. General policies concerning broader use of information systems were decided and it was confirmed that the General Affairs Division would begin systems development work and related tasks.

New issues which will be discussed include reviewing the operations implementation system and what to do about overseas bases, topics which will be taken up by the respective committees. The Advisory Council on Management will carry out concentrated discussions for drawing up a JICS medium-term plan.

Correlation Chart of the Advisory Council on Management and its Committees

Operational Framework of the JICS Advisory Council on Management (as of February 2004)



Note 1: The General Affairs Division, acting as the secretariat, will submit a draft proposal for the medium-term plan to the Advisory Council on Management.
2: Preparation of manuals, etc. will be the responsibility of individual departments or divisions.

JICS—Active in Many Areas

Third Tokyo International Conference on African Development

JICS Co-exhibitor as Non-project Grant Aid Procurement Agent

The Third Tokyo International Conference on African Development (TICAD III) took place in Tokyo from September 29 to October 1, 2003. JICS, in its capacity of procurement agent for Japanese government non-project grant aid, was an exhibitor at a booth together with British procurement agent Crown Agents and the United Nations Office for Project Services (UNOPS) at a side event held at this conference.

The booth described the non-project grant aid system, past projects handled, and the role of procurement agents. There was also a panel display of various projects implemented in Africa and other parts of the world and a demonstration on a personal computer. The booth attracted many visitors from the Japanese and foreign governments, NGOs, media organizations and universities.



Staff member describing JICS activities.

International Cooperation Festival 2003

Targeting Topics to Promote JICS

An International Cooperation Festival was held October 4-5, 2003 at Hibiya Park in Tokyo. JICS participated in this



event with a booth consisting of display panels on four topics: The Role of JICS in ODA, Cambodia Small Arms Retrieval Project, Emergency Grant Aid to China for SARS, and Peacebuilding in Afghanistan. The booth also presented information about JICS'

Support for Non-governmental Organizations program, directed at officials from NGOs.

Discussion Forum with Non-governmental Organizations

NGO Officials Invited

Officials from NGOs supported by JICS in FY2001 and FY2002 were invited to a discussion forum on October 28, 2003. This forum, which takes place annually, was held to hear about the activities of each NGO's program receiving JICS support and to give participants a chance to exchange views.

In addition to NGO officials, the forum was attended by Takuo Kidokoro, Director of the Japanese Ministry of Foreign Affairs' Non-Governmental Organizations Assistance Division, Toshihiro Obata, Director of JICA's Domestic Partnership Promotion Division and Tadashi Yamazaki, Managing Director of the Japan NGO Center for International Cooperation (JANIC). Participants discussed how cooperation could best be established among various types of international cooperation, and how they could all work together to make the best contribution possible.

JICS Welcomes Sayama Chuo Junior High School Students

Integrated Studies Topic: International Cooperation

On November 19, 2003, a group of 15 Sayama Municipal Chuo Junior High School (Saitama prefecture) students studying international cooperation activities visited JICS. They heard a lecture about ODA and JICS, with rehabilitation support in Afghanistan given as an example. The students were curious to learn about the lives of children in Afghanistan and they asked many questions from a different perspective, refreshing the approach of JICS staff to their projects.



A JICS staff member describing Afghanistan rehabilitation support activities