

(Translation)

**The Articles of Foundation of
Japan International Cooperation System (JICS)**

April 12, 1989
Minister of Foreign Affairs Authorization No.3

Amended on December 27, 1993
Minister of Foreign Affairs Authorization No.60

Amended on April 17, 1996
Minister of Foreign Affairs Authorization No.16

Amended on April 13, 2001
Minister of Foreign Affairs Authorization No.11

Amended on April 3, 2003
Minister of Foreign Affairs Authorization No.22

Amended on April 11, 2007
Minister of Foreign Affairs Authorization No.14

Chapter 1. General Provisions

Article 1 (Name)

1 This corporation is called Japan International Cooperation System (JICS) (hereinafter referred to as the "Foundation").

Article 2 (Offices)

1 The Foundation shall locate its principal office in Shinjuku-ku, Tokyo, Japan.

2 The Foundation may establish a subsidiary office or offices elsewhere as deemed necessary after the Board of Directors votes so to do.

Article 3 (Purposes)

1 The purposes of the Foundation are to promote higher quality international cooperation by cooperating in the appropriate and efficient implementation of Japan's Official Development Assistance

(“ODA”) and other international cooperation programs for developing countries and territories and thus to contribute to the economic and social development of the world as well as the enhancement of friendly international relations.

Article 4 (Business)

1 The Foundation shall conduct the following business while paying due respect to the work of private enterprises in order to accomplish the purposes described in the preceding article:

- (1) Business which contributes to the promotion of the appropriate and efficient implementation of grant aid programs, technical cooperation programs and loan programs which are parts of Japan’s ODA;
- (2) Business which contributes to the promotion of the appropriate and efficient implementation of international cooperation programs executed by international organizations, foreign governments or other entities engaged in international cooperation activities;
- (3) Follow-up activities and after-care activities for such programs mentioned above in items (1) and (2);
- (4) Research and studies on methods of efficient implementation of international cooperation;
- (5) Education and support which promote international cooperation; and
- (6) Other activities necessary to achieve the purposes of the Foundation.

Chapter 2. Assets and Accounting

Article 5 (Composition of Assets)

The assets of the Foundation shall consist of the following:

- (1) The assets listed in the inventory at the time of the establishment;
- (2) Donations in cash and in kind;
- (3) Income generated from the assets;
- (4) Membership fees;

- (5) Income from business operations; and
- (6) Other income.

Article 6 (Kinds of Assets)

1 The Assets of the Foundation shall consist of two kinds of assets - endowment and operating assets.

2 The endowment shall consist of the following:

- (1) Those assets listed in the endowment section in the inventory at the time of the establishment;
- (2) Those assets donated specified as endowment; and
- (3) Those assets which the Board of Directors resolved to transfer to the endowment from the operating assets.

3 Assets other than endowment shall be operating assets.

Article 7 (Management of Assets)

1 The President shall manage the assets of the Foundation, and its management methods shall be determined separately by the President with the vote of the Board of Directors.

2 Of the endowment, cash shall be managed and kept in a safe and secure manner, such as time deposits at post offices or banks, entrustment to trust companies, and the purchase of national, public and corporate bonds.

Article 8 (Restrictions on Disposal of Endowment)

1 The endowment may not be disposed of or used as a collateral. However, should unavoidable circumstances in the execution of business of the Foundation arise, part of the endowment may be disposed of, or the whole or part of it may be used as collateral provided that this is approved by a vote of two-thirds or more of the existing members of the Board of Directors and the approval of the Board of Trustees, and also the approval of the Minister of Foreign Affairs.

Article 9 (Expenditure)

Expenses of the Foundation shall be paid out of the operating assets.

Article 10 (Business Plan and Budget)

The President shall prepare the Foundation's business plan and the income and expenditure budget therefore, which shall be submitted to the Minister of Foreign Affairs, after the vote of two thirds or more of the existing members of the Board of Directors and approved by the Board of Trustees, prior to the commencement of each accounting period. The same shall apply in the event of any changes thereto.

Article 11 (Provisional Budget)

1 Notwithstanding the provision of the preceding article, when a budget can not be finalized for unavoidable reasons, the President may receive income and make payments based on the preceding year's income and expenditure budget with the vote of the Board of Directors until the day on which a new budget is approved.

2 The income and expenditure described in the preceding paragraph shall be deemed as part of the newly approved income and expenditure budget.

Article 12 (Business Report and Settlement of Accounts)

The Foundation shall report to the Minister of Foreign Affairs on its business and settlement of accounts of income and expenditure within three months after the end of each financial year, by submitting a business report, an income and expenditure statement, a statement of net worth, a balance sheet and an inventory prepared by the President, be audited by the Auditors, approved by a vote of two-thirds or more of the existing members of the Board of Directors and approved by the Board of Trustees. In this case, if there has been any change in the total assets, the registration thereof shall be made within two weeks and a certified copy of corporate registration shall be attached.

Article 13 (Long-term Borrowing)

When the Foundation intends to make long-term borrowing, excluding short-term borrowing which is to be paid off with the income of that particular accounting period, it must be approved by a vote of two-thirds or more of the existing members of the Board of Directors and approved by the Board of Trustees, and also must be approved by the Minister of Foreign Affairs.

Article 14 (Assumption of Duties and Waiver of Rights)

Except for those provided for in the budget, when the Foundation intends to assume new obligations or waive any rights, it must be approved by a vote of two-thirds or more of the existing members of the Board of Directors, approved by the Board of Trustees and also approved by the Minister of Foreign Affairs.

Article 15 (Accounting Period)

The accounting period of the Foundation shall commence on April 1 every year and end on March 31 of the following year.

Chapter 3. Directors

Article 16 (Kinds of Officers and Quorum)

1 The Foundation shall have the following Directors;

Executive Directors Six or more up to fifteen.

Auditors Two.

2 Of the Executive Directors, one shall become the President, one shall be the Executive Managing Director and one or two shall become Managing Directors.

Article 17 (Election, etc.)

1 The Executive Directors and Auditors shall be elected by the Board of Trustees.

2 The Executive Directors shall elect from among themselves the President, Executive Managing Director and Managing Directors.

3 The Executive Directors, Auditors and Trustees shall not be allowed to hold more than one position.

4 The total number of the Executive Directors having a relative or anybody with a special relationship to them shall not exceed one-third of the total number of the members of the Board of Directors.

5 The Auditors shall not be related or have a special relationship to each other.

6 Any change in the makeup of the Executive Directors shall be registered within two weeks, and a notification to that effect shall be made to the Minister of Foreign Affairs without delay with a certified copy of corporate registration attached.

7 Any change in the makeup of the Auditors shall be notified to the Minister of Foreign Affairs without delay.

Article 18 (Duties)

1 The President shall represent the Foundation and oversee its operation.

2 The Executive Managing Director shall assist the President and supervise the Foundation's operations, and shall act for the President to carry out its duties in the event that the President is unable to perform his duties owing to unavoidable circumstances, or in the absence of the President.

3 The Managing Directors shall assist the President and the Executive Managing Director and transact the Foundation's operations and one of them, in the order appointed in advance by the President, shall act for the Executive Managing Director to carry out his/her duties in the event that the Executive Managing Director is unable to perform his/her duties owing to unavoidable circumstances or in the absence of the Executive Managing Director.

4 The Executive Directors shall organize the Board of Directors and shall vote and carry out the Foundation's business pursuant to the provisions of this Articles of Foundation.

5 The Auditors shall perform the following duties:

- (1) Audit the assets and accounts;
- (2) Audit the operational performance of the Executive Directors;
- (3) Notify, in the event that they find irregularities in accounting practices and operations, the Board of Directors,

the Board of Trustees and the Minister of Foreign Affairs thereof; and

- (4) Demand convocation of a meeting of the Board of Directors and a meeting of the Board of Trustees as necessary for the notification described in the preceding paragraph.

Article 19 (Term of Office)

1 The term of office of a Director shall be two years. However, he/she shall not be prevented from being reappointed to his/her position.

2 The term of office of the Director who is elected as a substitute or due to an increase in the fixed number shall be the remaining term of office of the predecessor or the current Director.

3 The Director shall perform his/her duties even after his/her resignation or expiration of his/her term of office until his/her successor assumes the office.

Article 20 (Dismissal)

When an officer falls under any of the following, the Board of Directors and the Board of Trustees may dismiss the Director with the votes of two-thirds or more of the existing members of the Board of Directors and the Board of Trustees. In such a case, before the votes are made by the Board of Directors and the Board of Trustees, the Director must be given an opportunity to explain his actions.

- (1) When the Director concerned is unable to perform his/her duties due to physical or mental disability.
- (2) When the Director concerned is found to have breached his/her duties or to have behaved in a manner unbecoming to a Director for Director.

Article 21 (Remuneration)

1 The Directors serve without remuneration. However, full-time Directors may be paid remuneration.

2 Expenses may be reimbursed to the Directors.

3 Matters necessary in connection with the preceding two paragraphs shall be determined separately by the President with the vote of the Board of Directors.

Chapter 4. Board of Directors

Article 22 (Organization)

The Board of Directors shall consist of Executive Directors.

Article 23 (Capacity and Powers)

The Board of Directors shall, in addition to those provided elsewhere in this Articles of Foundation, vote and carry out important matters related to the business of the Foundation.

Article 24 (Types and Convening of Meetings)

1 The Board of Directors shall hold two types of meetings: ordinary meetings of the Board of Directors and extraordinary meetings of the Board of Directors.

2 Ordinary meetings of the Board of Directors shall be held twice a year.

3 Extraordinary meetings of the Board of Directors shall be held when one of the following events occurs:

- (1) When the President considers it necessary;
- (2) When one-third or more of the existing Executive Directors demand a meeting of the Board of Directors to be convened in a writing describing the agenda; or
- (3) When the Auditors demand a meeting of the Board of Directors to be convened in accordance with the provisions of Item 4 of Paragraph 5 of Article 18.

Article 25 (Convocation)

1 The President shall convene a meeting of the Board of Directors.

2 In cases falling under Items 2 and 3 of Paragraph 3 of the preceding article, the President shall convene an extraordinary meeting within fourteen days from that day.

3 In the event a meeting of the Board of Directors is to be convened, the date, time, place, agenda and matters to be deliberated shall be notified in writing at least seven days prior to the meeting.

Article 26 (Chairman)

The Chairman of the meetings of the Board of Directors shall be the President.

Article 27 (Quorum)

A meeting of the Board of Directors shall not be held unless two-thirds or more of the existing Executive Directors are present.

Article 28 (Voting)

A decision at a meeting of the Board of Directors shall, in addition to those provided for in this Articles of Foundation, be determined by a majority of the Executive Directors present, and in case of a tie, the Chairman shall make a decision.

Article 29 (Voting in Writing, etc.)

1 When there are unavoidable reasons for not being able to be present at a meeting of the Board of Directors, an Executive Director concerned may vote in writing on the previously notified agenda, or may appoint another Executive Director as his/her proxy.

2 In the case of the preceding paragraph, the Executive Director shall be considered as being present at the meeting of the Board of Directors in the application of the preceding two articles.

Article 30 (Minutes)

With respect to the business of the meeting of the Board of Directors, minutes setting out the following matters shall be prepared:

- (1) Date, time and place;
- (2) The existing number of Executive Directors and the number and the names of those present. (In the case of a vote in writing

and a vote by proxy, these facts shall be noted.);

- (3) Matters to be deliberated and resolved.
- (4) An outline of the proceedings and the results.
- (5) Matters related to the election of the persons to sign the minutes.

2 The minutes shall be signed and sealed by the Chairman and two or more persons elected to sign the minutes at the meeting.

Chapter 5. Trustees and Board of Trustees

Article 31 (Trustees)

1 The Foundation shall have twelve to twenty-four Trustees.

2 Of the Trustees, one shall be the Chairman of the Board of Trustees and one or two shall be the Vice Chairman of the Board of Trustees.

3 The Trustees shall be elected at a meeting of the Board of Directors and the President shall appoint them.

4 Of the Trustees, the total number of Trustees who are related to or have a special relationship to any one of the Directors, or the total number of Trustees who are related to or have a special relationship to one of the Trustees shall not exceed one-third of the existing number of Trustees.

5 The provisions of Articles 19 to 21 (except for the proviso in Paragraph 1 of Article 21) shall apply mutatis mutandis to the Trustees. In this case, "Director(s)" in these articles shall be read as "Trustee(s)".

Article 32 (The Board of Trustees)

1 The Board of Trustees shall consist of Trustees.

2 The Chairman and the Vice Chairman of the Board of Trustees shall be elected from among the Board of Trustees by the Board of Trustees.

3 The Chairman of the Board of Trustees shall convene a meeting of the Board of Trustees and chair the meeting.

4 The Vice Chairman of the Board of Trustees shall assist the Chairman of the Board of Trustees and one of them, in the order

appointed in advance by the Chairman of the Board of Trustees, shall act for the Chairman of the Board of Trustees to carry out its duties and in the event the Chairman of the Board of Trustees is unable to perform his/her duties owing to unavoidable circumstances or in the absence of the Chairman of the Board of Trustees.

Article 33 (Duties of the Board of Trustees)

The Board of Trustees shall perform the duties as provided for in this Articles of Foundation, and also shall deliberate the matters required and give advice in response to requests of the President.

Article 34 (Type and Convening of Meetings of Board of Trustees)

1 The Board of Trustees shall hold two types of meetings: ordinary meetings of the Board of Trustees and extraordinary meetings of Board of Trustees.

2 Ordinary meetings of the Board of Trustees shall be held twice a year.

3 Extraordinary meetings of the Board of Trustees shall be held when one of the following events occurs:

- (1) When the Chairman of the Board of Trustees considers it necessary;
- (2) When the President considers it necessary;
- (3) When one-third or more of the existing number of Trustees demand a meeting of the Board of Trustees to be convened in a writing describing agenda; or
- (4) When the Auditors demand a meeting of the Board of Trustees to be convened in accordance with the provisions of Item 4 of Paragraph 5 of Article 18.

Article 35 (Convocation and Management of Board of Trustees)

1 In cases falling under Items 2 to 4 of Paragraph 3 of the preceding article, the Chairman of the Board of Trustees shall convene an extraordinary meeting of the Board of Trustees within fourteen days from that day.

2 In the event a meeting of the Board of Trustees is to be

convened, the date, time, place, agenda and matters to be deliberated shall be notified in writing at least seven days prior to the meeting.

3 The provisions of Articles 27 to 30 shall apply mutatis mutandis to the Board of Trustees. In this case, "the Board of Directors" and "Executive Director(s)" shall read as "the Board of Trustees" and "Trustee(s)."

4 In addition to those provided for in each of the preceding paragraphs, matters necessary in connection with the management of the Board of Trustees shall be determined separately by the President with the vote of the Board of Directors.

Chapter 6. Advisors and Specialist Committee

Article 36 (Advisors)

1 The Foundation may have Advisors not exceeding five persons.

2 The President shall appoint the Advisors from among people with experience or academic standing or those who have contributed to the Foundation with the approval of the Board of Directors.

3 The Advisors shall express their views on the basic management policy of the Foundation in response to requests from the President, or express their opinions.

4 The provisions of Paragraph 1 of Article 19 and Articles 20 and 21 (except for the proviso in Paragraph 1 of Article 21) shall apply mutatis mutandis to the advisors. In this case, "Director(s)" in these articles shall read as "Advisor(s)."

Article 37 (Specialist Committee)

The Foundation may establish a specialist committee in order to conduct research and studies of technical and specialized matters related to the business as set out in Article 4.

2 The Board of Directors shall elect specialist committee member from among people with experience or academic standing and the President shall appoint them.

3 Specialist committees shall be organized based on the subject matters of research and studies.

4 Matters necessary in connection with the specialist committee members and specialist committees shall be determined separately by the President with the vote of the Board of Directors.

Chapter 7. Support Members

Articles 38 (Support Members)

1 Those who agree with the purposes of the Foundation and pay membership fees to assist its activities shall be called support members. They shall be classified into two kinds: corporate support members and individual support members.

2 Those who have paid corporate support membership fees are corporate support members and those who have paid individual support membership fees are individual support members.

3 Matters necessary in connection with support members and support membership fees shall be determined separately by the President with the vote of the Board of Directors.

Article 39 (Non-Refund of Contributions)

Support membership fees and other contributions shall not be refunded.

Chapter 8. Secretariat and Storage of Documents

Article 40 (Secretariat)

1 The Foundation shall establish a Secretariat in order to deal with clerical matters.

2 The Secretariat shall have an office manager and other staff members necessary.

3 The President shall employ and dismiss the office manager and staff members.

4 Matters necessary in connection with the organization and management of the Secretariat shall be determined separately by the President with the vote of the Board of Directors.

Article 41 (Keeping Documents and Accounting Books)

1 The Foundation's principal office shall be always equipped with the following documents and accounting books:

- (1) The Articles of Foundation;
- (2) The names of Executive Directors, Auditors, Trustees, Advisors, Specialist members and Secretariat staff members and their personal histories;
- (3) The names of the support members and documents related to changes in their composition;
- (4) Documents related to permission, authorization, and registration;
- (5) Documents related to proceedings of the decision-making bodies provided for in this Articles of Foundation;
- (6) Documents that show assets, liabilities and net worth;
- (7) Daily business transaction records;
- (8) Accounting books and evidentiary documents related to income and expenditure; and
- (9) Other pertinent documents and books.

2 The documents and accounting books provided in the preceding items shall be kept based on the following classification.

- (1) Permanently for Items 1 to 6
- (2) Ten years for Items 7 to 8
- (3) Five years for Item 9

Chapter 9 Alteration in The Articles of Foundation and Dissolution

Article 42 (Alteration in the Articles of Foundation)

This Articles of Foundation shall not be altered unless approved by the votes of three quarters or more of the existing members of the Board of Directors and the Board of Trustees at their respective meetings and approved by the Minister of Foreign Affairs.

Article 43 (Dissolution)

The Foundation may dissolve itself in accordance with Items 2 to 4 of Paragraph 1 of Article 68 of the Civil Code, and also with

the votes of three quarters or more of the existing members of the Board of Directors and the Board of Trustees at their respective meetings and the approval of the Minister of Foreign Affairs.

Article 44 (Disposal of Residual Assets)

The residual assets at the time of the dissolution of the Foundation shall be donated to organizations whose purposes are similar to those of the Foundation, with the votes of three quarters or more of the existing members of the Board of Directors and the Board of Trustees respectively and with the approval of the Minister of Foreign Affairs.

Chapter 10. Additional Rule

Article 45 (Delegation)

In addition to those provided for in this Articles of Foundation, matters necessary in connection with the management of the Foundation shall be determined separately by the President with the vote of the Board of Directors.

Supplementary Provision

- 1 This Articles of Foundation became effective on the day on which the establishment of the Foundation was permitted.
- 2 Notwithstanding the provisions of Article 10, the initial year's business plan and income and expenditure budget were determined by the establishment representatives.
- 3 Notwithstanding the provisions of Article 15, the first accounting period covered from the day on which the establishment of the Foundation was permitted to March 31, 1990.
- 4 Notwithstanding the provisions of Paragraphs 1 and 2 of Article 17, the initial Directors of the Foundation were determined by the establishment representatives, and their term of office shall be until March 31, 1991, notwithstanding the provisions of Paragraph 1 of Article 19.
- 5 Notwithstanding the provisions of Paragraph 3 of Article 31 and Paragraph 2 of Article 32, the initial members of the Board of Trustees were determined by the establishment representatives and their term of office shall be until March 31, 1991, notwithstanding the provisions of Paragraph 1 of Article 19 being applicable mutatis mutandis to Paragraph 5 of Article 31.

Supplementary Provision (December 27, 1993 Minister of Foreign Affairs Authorization No.60)

This Articles of Foundation became effective on the day on which it is authorized by the competent authorities.

Supplementary Provision (April 17, 1996 Minister of Foreign Affairs Authorization No.16)

This Articles of Foundation became effective on the day on which it is authorized by the competent authorities.

Supplementary Provision (April 13, 2001 Minister of Foreign

Affairs Authorization No.11)

This Articles of Foundation became effective on the day on which it is authorized by the competent authorities.

Supplementary Provision (April 3, 2003 Minister of Foreign Affairs Authorization No.22)

This Articles of Foundation became effective on the day on which it is authorized by the competent authorities.

Supplementary Provision (April 11, 2007 Minister of Foreign Affairs Authorization No.14)

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