



Part 1

Principal Activities in FY2011

Highlights of Operations in FY2011

Procedures Implemented under the Reforms of Public-interest Corporation System

After making the institutional decision to switch status and become a general incorporated foundation, JICS steadily (1) prepared Articles of Incorporation, (2) selected Directors and Trustees, (3) determined its businesses for public interest purposes, (4) established and revised all types of regulations and (5) implemented various application procedures.

Note: JICS became a general incorporated foundation on April 1, 2012.



New Vice President and Secretary General

The JICS Vice President and Secretary General changed from August 1, 2011.

Former Vice President: Takashi Sakamoto
New Vice President: Toshiyuki Ezuka

Former Secretary General: Toshiyuki Ezuka
New Secretary General: Nobuhiko Kawakami

Note: With the organizational reform of April 1, 2012, then-Vice President Ezuka was appointed Vice President and then-Secretary General Kawakami was appointed Senior Director General.

Main Accomplishments over the Year since President Toru Nakatani Took Office

Positioned "abilities in the field" as JICS' "strategic product", and advanced initiatives toward reinforcing competitiveness to maximize the effect of that strategic product.

Launched three task forces on operations, human resources and organization, and addressed the various issues toward the transition to becoming a general incorporated foundation in April 2012.

Examined our set of new fundamental organizational management policies, called "Mission, Vision and Value", following the organizational restructuring throughout the organization.



2011 Highlights

Provision of Grant Aid for Community Empowerment to 32 Projects

Grant Aid for Community Empowerment was established in 2006 to support comprehensive capacity development in communities facing poverty, hunger, infectious diseases and other fundamental issues. JICS has supported a total of 32 projects in 23 countries and regions centered in Africa under this assistance scheme through the end of March 2012. These projects have included support for the construction of 421 schools with 2,336 classrooms, and these facilities have made it possible for over 102,700 children to attend school.



Program Grant Aid for Environment and Climate Change

Program Grant Aid for Environment and Climate Change is grant aid that provides funds to procure required materials and equipment and for facilities projects, from the perspective of strengthening the drafting and implementation of policies and plans to address the climate change issue in developing countries. To date, JICS has served as the procurement agent for 68 projects under this system including projects introducing photovoltaic systems, conserving forests and improving local abilities to respond to natural disasters.



Highlights

Commencement of a New Organizational Structure

Through such measures as the transition to a general incorporated foundation, the formulation of a Medium-term Operational Action Plan, and the strengthening of its organization and human resources, JICS aims to become the world's best service provider in the international cooperation field.

In April 2012, JICS made the transition to a not-for-profit general incorporated foundation. Although it was originally envisaged that JICS would make a transition to a public interest incorporated foundation, after consideration of the operating environment—which is undergoing significant changes—and from the perspective of organizational continuity, it was determined that the transition to a not-for-profit general incorporated foundation would be the most appropriate course. In this special feature, we outline the pre-transition measures carried out in FY2011 and the future direction of JICS' operations.

Establishment of Task Forces and Formulation of New Policies

In our preparations for the transition, we anticipated an operating environment harsher than has previously prevailed, and we established three task forces covering operations, human resources and organization, respectively. These task forces considered solutions to various issues from the perspective of bolstering JICS' competitiveness and other factors.

Furthermore, we formulated a set of new fundamental organizational management policies, which we have called "Mission, Vision and Value" (MVV). Utilizing the opportunity provided by our transition to a general incorporated foundation and the formulation of a Medium-term Operational Action Plan—which is explained below—we newly considered policies that would replace the existing "JICS Vision". We particularly emphasized the importance of each employee thoroughly assimilating these policies and maintained a bottom-up process of discussions involving the entire organization to determine the policies' content. Our future task is to ensure that MVV is fully understood and implemented throughout the organization.



Although there are certain tax-related advantages to adopting the status of a public-interest incorporated foundation, it requires that an organization continue to meet strict standards relating to its public-interest authorization. In contrast, although a general incorporated foundation does not receive favorable tax treatment, restrictions on organizational management are not as great as those relating to a public-interest incorporated foundation.

At the March 2011 Board of Directors (photograph), to ensure organizational continuity and our ability to provide stable contributions to the field of international cooperation through procurement-related services, it was concluded that the most appropriate course of action would be to apply for the status of a general incorporated foundation.

Operations

**Strengthened
Competitiveness**

Organization

Human Resources

Implementation of the Medium-term Operational Action Plan

To drive future operations, we formulated the Medium-term Operational Action Plan—which runs for three years starting FY2012—and set the goal of becoming "the world's best service provider in the international cooperation field" as our ideal state of the organization in 10 years time. As medium-term numerical targets, the plan stipulates "over 5% of operations undertaken in the area of Japanese ODA loan programs," "over 10% of operations undertaken in programs with international agencies and organizations" and "net equity of ¥1.5 billion."

To achieve this ideal state, the plan articulates the following two directions for JICS' operations.

- (1) Further expansion of our existing operations focusing on procurement agent services

JICS became a general incorporated foundation in April 2012.



Formulation of Medium-term Operational Action Plan (FY2012–FY2015)

Toward becoming "the world's best service provider in the international cooperation field"



Within the Japanese ODA loan executed by the Japan International Cooperation Agency (JICA), post-procurement auditing services are carried out each year to confirm the appropriate execution of selection and contracting procedures for consultants and construction companies contracted by the counterpart (recipient) country.

In FY2011, JICS implemented post-procurement audit services in relation to 41 loan aid programs. This photograph shows a meeting at the Indonesian Ministry of Public Works to report the results of an audit following the completion of services.

overseas trade exhibitions and trade fairs. Transportation operators provide customs clearance and shipment services for goods to be exhibited overseas as well as the return of items to Japan following the conclusion of such fairs.

• **Ex-post procurement audit under Japanese ODA loan**

This contract was won through a bid based on a public notification by JICA for post-procurement audit services relating to loan aid programs. Within loan aid programs, focusing on Special Terms for Economic Partnership (STEP) loans involving the utilization of technology and know-how of the Japanese firms and loan agreements involving a large-scale loan amount, JICS carried out audits for total of 41 programs based on the consultant contract signed with JICA in FY2010 and this new contract with JICA.

• **Procurement execution-related facilitation and support services for JICA**

This contract was won through a bid based on a public notification by JICA, and relating to an urgent development study being carried out by JICA, called Sri Lanka, Mannar District, Resettlement Community Urgent Reconstruction Planning Project. Within this project, on behalf of the local JICA office JICS attended construction work inspections in relation to the construction of a variety of facilities, which is being undertaken to support resettled residents in the rebuilding of their lives. JICS also prepared documentation relating to the handover of completed facilities.

Procurement agent services form the core of JICS' operations. Although the reliable execution of these services is essential, when focusing on the future development of the organization, we believe that it is necessary to focus not only on conventional procurement agent services but also examine potential ways of expanding our operational scope.

(2) Development of new businesses

As one approach to realize the development of new businesses, we held JICS' first ever internal "business proposal competition." Several new business proposals were received, and two of them were chosen as the basis for efforts aimed at achieving commercialization. To ensure the proactive development of new businesses, it is our policy to hold such proposal competitions on a regular basis.

In the area of new business development during FY2011, we implemented the following three key initiatives.

(a) Registration as a procurement agent with the World Bank

As one of our measures to grow into an international procurement organization, we undertook registration procedures to become a procurement agent

recognized by the World Bank, and gained registered status in September 2011. Based on a medium- to long-term perspective, we intend to implement a wide range of measures aimed at gaining service contracts with the World Bank.

(b) Personnel dispatches to international agencies and organizations

We are implementing human resource development measures designed to promote growth as an international procurement organization. Specifically, we are undertaking the dispatch of personnel for such positions as international procurement specialist and international cooperation coordinator.

(c) Winning new service contracts through competitive proposals

In FY2011, we gained the following new service contracts.

• **Transportation operator selection support services for the Japan External Trade Organization (JETRO)**

This contract was won through a bid based on a public notification by JETRO. It involves the provision of support for selection procedures relating to companies undertaking transportation services vis-à-vis enterprises and organizations participating in JETRO-organized

Strengthening JICS' Organization and Human Resources

To coincide with the transition to a general incorporated foundation, JICS implemented an overhaul of its organization, moving to a new structure comprising two offices, five departments and 18 divisions. In human resources, from the perspective of the development of people capable of excelling in an international procurement institution, we prepared a Human Resources Development Grand Design, which is being implemented starting FY2012.

(1) Organizational Reform

(a) Transition to structure comprising two offices, five departments and 18 divisions

We changed from our FY2010 structure comprising three departments and 16 offices and divisions, to a new one in which the size of each organizational unit has been reduced, better enabling managers to keep closely in touch with their subordinates' progress and provide more detailed guidance and supervision than was possible in the past.

(b) Establishment of an International Organization Division

Until now, operations relating to international agencies and organizations were aggregated with other operations and managed and carried out by a single division. However, under the Medium-term Operational Action Plan, we are aiming to increase projects undertaken for international agencies and organizations to the level of 10% of JICS' overall operations. Consequently, we have established an independent division to handle operations relating to international agencies and organizations under a structure designed to ensure the reliable execution of such operations. The new International Organization Division will also constitute a base from which to expand these operations in the future.

(2) Human Resources Development Grand Design

We recognize that the planned and systematic development of people capable of excelling in an international procurement institution is one of the most crucial issues JICS must address now and in the future. Based on this recognition, we formulated the Human Resources Development Grand Design.

Specifically, coinciding with the abovementioned organizational reform,

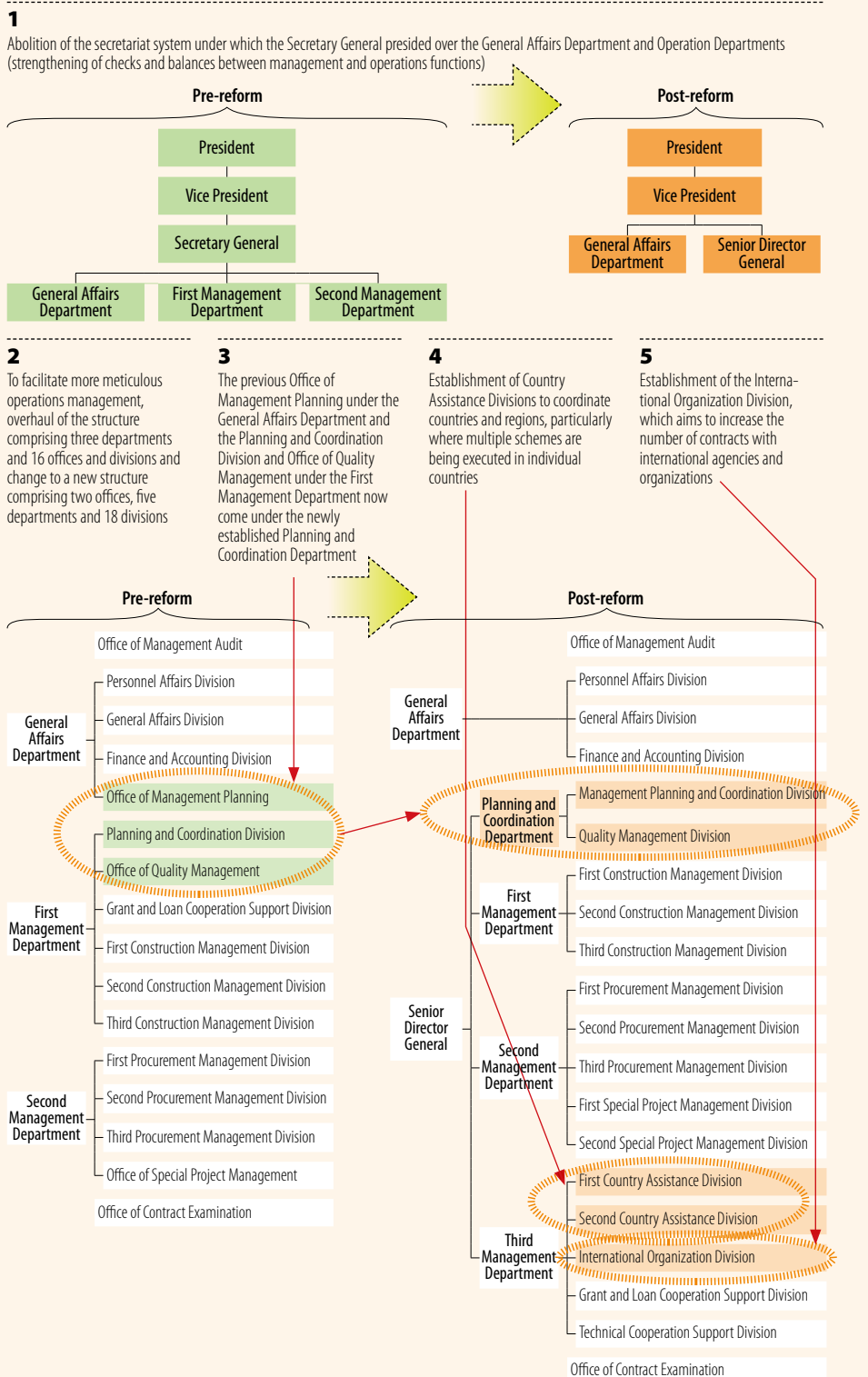
we appointed 13 new managers. We are aware that these new managers must be developed by the entire organization as JICS carries out its day-to-day operations.

From FY2012 onward, we will increase our focus on personnel development based on this Grand Design, which we will modify as necessary to meet the organization's changing situation and needs.

In FY2011, in preparation for the

transition to a not-for-profit general incorporated foundation, we undertook the measures outlined above, culminating in the transition implemented in April 2012.

We intend to continue pursuing a range of initiatives to bolster our organizational and human resource strengths, thereby broadening opportunities to win service contracts, as we strive to become "the world's best service provider in the international cooperation field".



The Role of JICS in ODA

The Needs Fulfilled by ODA

Many people in the world are struggling to overcome poverty and hunger. In recent years, as globalization has rapidly advanced, the international community has faced an increasing number of issues that transcend borders—problems that cannot be solved by countries acting alone. Such issues include environmental problems, the spread of infectious diseases and financial and economic crises. Japan is expected to make international contributions towards overcoming those issues through ODA, as a responsible member of the international community.

Furthermore, Japan is highly dependent on imports of a wide range of raw materials, energy and food, many of which come from developing countries. From this perspective, it is clear that the lives of people in Japan are deeply affected by and are dependent on stability within the international community.

To contribute to the maintenance of peace and stability in the international community, and through that ensure Japan's own security and prosperity, Japan carries out ODA as an important part of its national policy.

The Role of JICS in ODA

ODA refers to economic cooperation undertaken by the Japanese government for the purpose of assisting developing countries in the development of their economies and societies, and helping improve the welfare of the people of developing countries and promote stable livelihoods.

ODA is divided into two broad categories—bilateral aid that is conducted directly in cooperation with a particular developing country and multilateral aid that is carried out through an international organization. Bilateral aid can be further divided into three modes—grant aid, technical cooperation and loan aid.

Since its launch in 1989, as a fair and neutral procurement organization, JICS has provided a broad array of services related to the procurement procedures for goods,

equipment and services necessary in the execution of many types of ODA projects. The information below provides an overview of the main operations in which JICS is involved.

Grant Aid-related Operations

With the objective of contributing to the economic and social development of developing countries, grant aid is a form of assistance that includes no requirement for the recipient country to repay the funds needed for the procurement of goods, equipment and services. JICS is involved in the execution of the following grant aid schemes.

■ Grant Assistance for the Food Aid Project (KR)

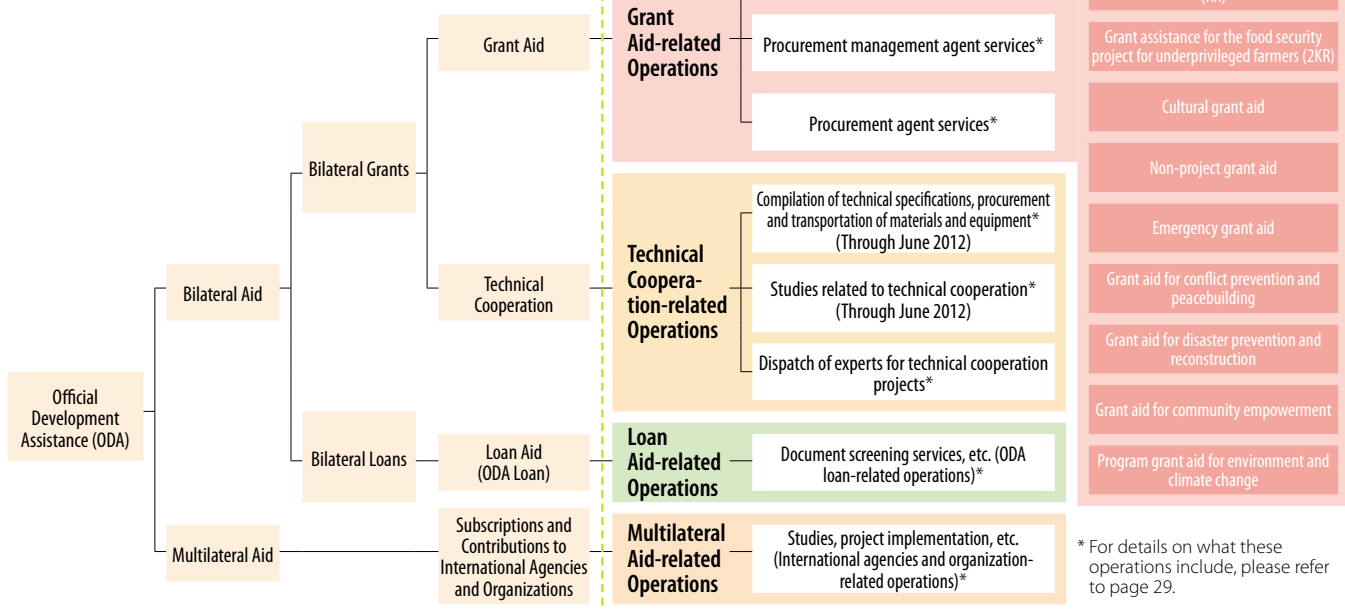
Since 1968, Japan has been providing grant aid to developing countries facing food shortages, for the procurement of rice, wheat, maize and other staple grains. Food aid is sometimes referred to as "KR" owing to its historic link with the Kennedy Round (KR) of negotiations under the General Agreement on Tariffs and Trade (GATT). The International Grain Agreement came into effect in 1967 as a result of the KR negotiations, and this aid program was launched in accordance with the aforementioned agreement.

JICS' role: Since FY2001, JICS has provided food procurement services under Agent Agreements signed with developing countries. Under these agreements JICS also acts as the secretariat for intergovernmental consultative committees, which are tasked with monitoring the distribution of the procured foodstuffs as well as the counterpart funds* deposited by recipient governments. Furthermore, since 2007 JICS has been undertaking procurement agent services, including the management of funds.

In FY2011, JICS provided procurement agent services for 44 Grant assistance for the food aid project procurements, centered on the African region.

* Note: Under self-help efforts, developing country governments deposit local currency counterpart funds equivalent to a certain proportion of the value of goods and equipment procured by grant assistance. These funds are utilized for local economic and social development projects after consultation with the Japanese government.

● The Role of JICS in the Japanese Government's ODA



* For details on what these operations include, please refer to page 29.

■ Grant Assistance for the Food Security Project for Underprivileged Farmers (2KR)

This is grant aid to developing countries which suffer food shortages, for the procurement of fertilizer and agricultural goods and equipment that will help increase the production of grain crops (rice, wheat, maize, etc.). Japan commenced this scheme in 1977, and it is carried out in Asia, Africa, Central and South America, Eastern Europe, the Commonwealth of Independent States (CIS) and others. The alternative name for this program is 2KR, which is derived from the name KR that is used to refer to Grant assistance for the food aid project.

JICS' role: Since its establishment, JICS has been commissioned by JICA to carry out studies in Japan and in recipient countries for this program. Since FY1997, based on contracts signed with developing country governments, JICS has been acting as a procurement management agent to undertake the fair and expeditious procurement of agricultural goods and equipment. JICS also acts as the secretariat for intergovernmental consultative committees, which are tasked with monitoring the distribution of the procured goods and equipment as well as the counterpart funds deposited by recipient governments. Additionally, since FY2004 JICS has been undertaking procurement agent services, including the management of funds.

In FY2011, JICS cooperated with studies in 6 countries and provided procurement agent services for 13 Grant assistance for the food security project for underprivileged farmers procurements.

■ Cultural Grant Aid

Japan provides grant aid for the purpose of promoting culture and education, as well as for the preservation of cultural heritage in developing countries. This grant aid comprises funds for the purchase, transportation, installation of materials and equipment, and construction of facilities necessary for the aforementioned cultural and educational activities. General cultural grant aid is carried out vis-à-vis governmental and public agencies while grassroots grant aid is provided to non-governmental organizations (NGOs) and local public agencies.

JICS' role: The Ministry of Foreign Affairs first commissioned JICS to carry out preliminary studies on requested equipment in FY1993. Since FY1995, based on contracts signed with recipient governments, JICS has provided ancillary services related to the procurement of equipment, including public notice, implementation and evaluation of the tendering process. Since 2009, JICS has been carrying out procurement manage-



Storage warehouse (Mauritania) procured under Grant assistance for the food aid project (KR) for rice

ment works running all the way through to management of equipment and materials delivery.

In addition, from FY2000 through FY2009, JICS was engaged in a range of follow-up services including the dispatch of technical experts to assess the usage status of previously delivered equipment and for the procurement of repair parts as necessary. Since FY2004, JICS has been undertaking the analysis of project applications.

In FY2011, JICS analyzed Grassroots cultural grant aid project applications under contract with the Ministry of Foreign Affairs, conducted preliminary study and application analyses of General cultural grant aid projects under contract with JICA and provided 32 procurement management services under contracts with recipient governments.

■ Non-project Grant Aid

Non-project grant aid provides funds to developing countries that are implementing economic and social reforms such as poverty reduction programs for the procurement and importation of necessary goods and equipment from overseas. The scheme is called Non-project grant aid since it is not tied to any specific project at the time it is approved.

JICS' role: Since FY1993, under Agent Agreements signed with developing country governments, JICS has been carrying out the appropriate management of grant aid funds and procurement of necessary goods and equipment, including raw materials (petroleum products, steel, paper, etc.) and machinery for public works (vehicles and construction machinery), which are selected from a list of eligible products agreed upon between the two governments.

In FY2011, JICS provided a total of 44 procurement agent services for Non-project grant aid in various countries in Oceania, the Middle East, Africa and Asia.

■ Emergency Grant Aid

Japan provides emergency grant aid from a humanitarian perspective, giving urgently needed funds to assist overseas victims of natural disasters, conflict refugees and displaced persons. One important feature of this scheme is that it can be used to quickly procure and deliver the necessary items. Emergency grant aid can also be used to support democratization in developing countries, including the holding of elections, and to support post-conflict reconstruction development.

JICS' role: Since FY1998, based on Agent Agreements signed with developing country governments, JICS has been appropriately managing grant aid funds and carrying out



Four-wheel tractors procured under Grant assistance for the food security project (2KR) (Moldova)

emergency procurement of necessary goods, procurement procedures required for the construction of facilities and project management operations.

In FY2011, JICS provided procurement agent services for a total of 12 Emergency grant aid projects including projects continuing in Iraq and Afghanistan, and new projects in Thailand, Palau and other countries.

■ Grant Aid for Conflict Prevention and Peacebuilding

The objectives of this scheme are to assist developing countries in conflict prevention and peacebuilding efforts through such measures as programs for the reintegration of former soldiers, recovery of small arms and ethnic reconciliation. The scheme provides funds for the procurement of goods and labor necessary for programs carried out in developing countries. This type of grant aid has been implemented since FY2002 as part of Non-project grant aid.

JICS' role: Since FY2002, based on Agent Agreements signed with developing country governments, JICS has been managing funds as well as undertaking project progress management and implementation support of programs in accordance with the particular characteristics of the assistance being provided. Core services include the management of aid funds.

In FY2011, JICS provided procurement agent services for a total of eight Grant aid for conflict prevention and peacebuilding projects including projects continuing since before the previous fiscal year in Sudan (the present Republic of South Sudan), Palestine, Afghanistan, Cambodia, Haiti and other countries, and new projects in Uganda.

■ Grant Aid for Disaster Prevention and Reconstruction

For developing countries that are vulnerable to natural disasters, Japan provides grant aid comprising funds necessary for facility construction and restoration to assist disaster prevention measures and post-disaster reconstruction.

In post-disaster reconstruction, to facilitate rapid response even in turmoil-affected situations and enable the provision of several types of assistance simultaneously, it is essential to utilize very advanced coordination capabilities. Japan's assistance draws on expertise across a diverse number of fields and manages relief efforts through an integrated approach.

JICS' role: Since the establishment of this grant aid in FY2006, based on Agent Agreements signed with developing country governments, JICS as a procurement agent has been undertaking the management of funds, carrying out the

procurement of necessary goods and equipment, handling the procurement of such services as those provided by consultants and construction companies, and providing overall project management services.

In FY2011, JICS provided procurement agent services for a total of two Grant aid for disaster prevention and reconstruction projects in areas suffering earthquake and cyclone disaster, including projects continuing since before the previous fiscal year.

■ Grant Aid for Community Empowerment

This scheme was established with the objective of assisting comprehensive capacity development in communities facing such threats to human life and secure livelihoods as poverty, hunger and infectious disease. Grant aid for community empowerment can reduce project costs by incorporating local input into project specifications and design and positively utilizing local enterprises and locally sourced goods and equipment, and is expected to lead to the efficient use of grant aid funds. While this scheme can flexibly respond to diverse local needs and conditions, it requires high-level procurement management because of the wide range of means needed to meet procurement schedules and secure quality.

JICS' role: Since the establishment of this grant aid in FY2006, as a procurement agent based on Agent Agreements signed with developing country governments, while undertaking the management of funds, JICS conducts a wide variety of procurement on behalf of recipient governments such as carrying out the procurement of necessary goods and equipment and handling the procurement procedures of such services as those provided by consultants and construction companies for facilities construction.

In FY2011, JICS provided procurement agent services for a total of 28 Grant aid for community empowerment projects: 22 for projects continuing from the previous fiscal year and six for new projects in Africa and Asia.

■ Program Grant Aid for Environment and Climate Change

From the perspective of strengthening developing countries' response measures to climate change, this grant aid scheme provides funds necessary for the formulation of climate change-related policies and response plans, and for the procurement of materials and equipment and facility construction services needed for the execution of such plans. The scheme has three main focus areas—measures to combat



Judo demonstration at the Cultural grant aid handover ceremony (Guatemala)



Remote medical system provided with Non-project grant aid (Cameroon)

global warming, antipollution measures and protection of the natural environment.

JICS' role: Since FY2008, under Agent Agreements signed with developing country governments, JICS as a procurement agent has been undertaking the management of funds, carrying out the procurement of necessary goods and equipment, handling the procurement of such services as those provided by consultants and construction companies, and providing overall project management services.

In FY2011, JICS provided procurement agent services for a total of 68 Program grant aid for environment and climate change projects: 65 for projects continuing from the previous fiscal year, and three for new projects.

Technical Cooperation-related Operations

Technical cooperation promotes nation building in developing countries by facilitating the adoption of technology among people in developing countries and by helping to raise the level of technology used. This mode of aid enables recipient countries to draw on Japan's extensive range of technology and experience. With the primary objective of facilitating "human resources development"—especially for younger generations who will play an important role in their country's future—the implementation of technical cooperation is led by JICA through such programs as the acceptance of training participants from developing countries, the execution of technical cooperation projects and the dispatch of experts and volunteers overseas.

JICS' role: Since its launch in 1989, JICS has been commissioned by JICA to undertake the provision of a broad array of services. These include the provision of information related to equipment necessary for the execution of technical cooperation, preparation of such procurement-related documentation as technical specifications and tender documents, and procurement operational support for JICA overseas offices (only providing procurement operational support at JICA overseas offices as of September 2012).

In FY2011, JICS conducted purchase and delivery works for 96 equipment and materials procurements, and for 330 equipment and materials procurements to be sent together with experts, and also dispatched short-term assistance staff to 23 countries.



Assembling an engine bench using equipment introduced through Technical cooperation-related operations (Saudi Arabia)

Loan Aid-related Operations (ODA Loan)

Loan aid (ODA loan) involves the loan of development funds to developing countries under such concessionary conditions as long repayment periods and low interest rates. In the implementation of loan aid to developing countries, the lending terms are determined after consideration of a broad range of factors, including average income levels in the recipient country. Unlike grant aid, loan aid requires repayment of aid funds. Hence, this mode of aid aims at nurturing ownership of the development process within the developing country by promoting the efficient use of loan funds and appropriate execution of projects.

JICS' role: Since FY2004, JICS has been carrying out primary checks of procurement-related documentation prepared by recipient countries to verify that the documentation conforms to JICA guidelines. JICS also conducts studies aimed at facilitating the smooth execution of loan aid programs.

In FY2011, JICS conducted 310 primary checks for projects in Southwest Asia, Latin America, Africa, the Middle East and Eastern Europe. JICS was also responsible for survey works on strengthening procurement management at JICA headquarters.

Multilateral Aid-related Operations

Multilateral aid enables Japan to contribute indirectly to the development of developing countries through subscriptions and contributions to development aid institutions that are part of the United Nations, and international development finance institutions, such as the World Bank.

JICS' role: Since FY2006, JICS has provided procurement services for multilateral aid-related programs carried out by international agencies and organizations, including project works commissioned by the ASEAN Secretariat using part of the Japan-ASEAN Integration Fund (JAIF) established by the Japanese government to support ASEAN integration.

In FY2011, JICS conducted procurement and other works for a total of five projects adding a project under contract from the ASEAN Committee on Disaster Management to four projects continuing from the previous fiscal year, and contributed to smooth and steady project implementation.



Explanation of an audit under Loan aid-related operations (ODA loan) at the Hanoi City Urban Railway Bureau (Viet Nam)

JICS' Major Activities in FY2011

In this section, we introduce JICS' major activities during FY2011, including Grant aid for conflict prevention and peacebuilding projects in South Sudan that focused on infrastructure development, Grant aid for community empowerment projects that aim to improve the learning environment and Program grant aid for environment and climate change projects that contributed to such goals as forest conservation and the promotion of solar electricity generation systems.

Grant Aid for Conflict Prevention and Peacebuilding (South Sudan)

- Project Name: The Project for Construction and Rehabilitation of Bridges on Main Roads in Juba City
 - Objective: Replacement construction of three bridges and construction of three culverts located on major arterial roads in Juba City
 - Agent Agreement Counterparty: Government of South Sudan
 - Grant Amount: ¥1,873 million
 - Intergovernmental Agreement: November 19, 2009
 - Delivery / Completion: November 28, 2011
- Project Name: The Project for Improving Facilities and Equipment of Multi-Service Training Center in Juba
 - Objective: Facilities construction and improvement and procurement of necessary materials and equipment for the Multi-Service Training Center in Juba
 - Agent Agreement Counterparty: Government of South Sudan
 - Grant Amount: ¥1,129 million
 - Intergovernmental Agreement: June 30, 2009
 - Planned Completion: Main facilities construction due for completion in October 2012, additional construction due for completion in March 2013

Q. First of all, please outline the background to the commencement of The Project for Construction and Rehabilitation of Bridges on Main Roads in Juba City.

On July 9, 2011, South Sudan gained independence, becoming Africa's 54th country. Following the end of the Sudanese civil war based on the Comprehensive Peace Agreement of 2005, the capital city Juba underwent rapid development and the volume of road traffic increased dramatically. However, there was significant deterioration in the condition of bridges on Juba's major arterial roads and a pressing need to improve transportation infrastructure to a level that would be capable of supporting economic development. Based on such factors, the replacement construction of such bridges was an urgent issue.

Against this backdrop, the Government of Sudan submitted a request to the Japanese government for support relating to the replacement construction of aging bridges on main arterial roads and construction of culverts to prevent road flooding during the rainy season. Hence, on November 19, 2009, an agreement was signed regarding the execution of The Project for Construction and Rehabilitation of Bridges on Main Roads in Juba City.

As the procurement agent for the Government of South Sudan, JICS carried out the management of aid funds, the contracting of consultants to perform engineering design and construction management, selection and contracting of construction companies through a tender process and overall project management.

Q. Did the bridge and culvert construction work proceed as planned?

Among the 12 candidate bridge projects considered, including both new and replacement bridges, three locations were chosen for replacement bridge construction. There was a request from the counterpart government that the bridge replacement projects be carried out before South Sudan's



One of the bridges built with Grant aid for conflict prevention and peacebuilding, photographed just prior to its opening ceremony

independence on July 9, 2011. Of the three bridges, the construction periods for two were shortened to approximately three months, and the opening ceremonies were held prior to independence on July 4 and 5. Since Juba was to become a new capital city, personnel involved in the project had a strong desire to help improve the transportation situation as soon as possible. Hence, we were able to complete two of the bridges before independence—earlier than originally planned—with the remaining bridge opened in November 2011.

With regard to the culvert projects, new construction was executed at three locations, and all three were completed prior to independence.

Through the construction of these bridges and culverts, detour road traffic congestion and road closures owing to flooding in the rainy season have been alleviated, thereby contributing to smoother traffic flow within the city. Further, it is hoped that this stimulus to social and economic activity will help advance the post-war reconstruction and peacebuilding process.

The Japan Self-Defense Forces (JSDF) units that arrived in Juba on February 20, 2012, are also expected to bolster road construction efforts, and JICS hopes to cooperate in future road and bridge construction projects.

Q. Please provide an overview of The Project for Improving Facilities and Equipment of Multi-Service Training Center in Juba, which was carried out in parallel with the bridge project.

In South Sudan, there was an urgent need for human resource training, which had been neglected during the civil war. In response, from 2006 the Government of Japan—through JICA—implemented a technical cooperation project at the Multi-Service Training Center in Juba (MTC), called The Project for Improvement of Basic Skills and Vocational Training in Southern Sudan (SAVOT). The Sudanese government requested that the Government of Japan provide grant aid to further enhance the effectiveness of this project and ensure



Construction of a channel for culverts in The Project for Construction and Rehabilitation of Bridges on Main Roads in Juba City



Extension construction work using Grant aid for conflict prevention and peacebuilding begins at the MTC in Juba



The MTC in Juba shortly prior to completion

continuity of such training programs. Consequently, in June 2009 the two governments agreed to implement The Project for Improving Facilities and Equipment of Multi-Service Training Center in Juba.

For this project, based on a procurement agent agreement with the South Sudan government, JICS established a project office in Juba City and conducted overall management of the project. Services provided by JICS included the selection and contracting of construction companies, procurement of equipment and materials, management of aid funds and management of progress at the construction site level.

On May 17, 2011, a groundbreaking ceremony was performed for the construction of facilities relating to the MTC. Subsequently, the construction of the new classroom facilities, comprising seven buildings, was carried out, along with the construction of a practical training block and refurbishment of two existing practical training blocks. To coincide with the completion of the facilities, JICS procured the equipment necessary for the running of MTC's operations and the training courses at eight teaching departments. In October 2012, planned construction will be completed, and the remaining aid funds will be used to build extra staff housing, which is due to be opened and handed over in March 2013.

Q. Did undertaking projects in a newly independent country involve specific difficulties?

JICS arrived in Juba City in July 2009 following the Exchange of Notes between the governments of Japan and Sudan. However, at that time, the South Sudan government had yet to attain independence, which meant the agreement contained the names of both Sudan and South Sudan. The negotiating team members changed frequently, and owing to delays in specifying the actual agreement signatories and the officials responsible, it was necessary to conduct very patient negotiations in preparation for the agent agreement. Consequently, it

took three months following the Exchange of Notes to finalize the agreement.

In addition, there were severe constraints on living conditions in Juba. These included such factors as the prevalence of malaria, the unsanitary condition of water drawn from the Nile, shortages of vegetables and other foodstuffs, and severe difficulties in the electrical supply situation.

Q. In which aspects of this project was JICS able to particularly leverage its experience to date?

To condense the construction period to three months for the completion of two bridges required increases in the number of consultant and construction contractor staff as well as additional heavy machinery. When the construction period was decided, JICS prepared a work schedule and was able to execute the procurement in line with this schedule thanks not only to the know-how of the consultants and construction companies but also JICS' extensive expertise in overcoming difficult circumstances associated with many aspects of such a project. This includes experience in international tenders, procurement of materials and equipment, dealing with customs clearance problems, personnel coordination and complying with construction schedules.

Furthermore, on this occasion, although a variety of difficulties arose during negotiations with the counterpart government, JICS received substantial support from many parties, and was able to effectively leverage the collaborative structure that has been built up over many years between the Japanese Ministry of Foreign Affairs, the Embassy of Japan, JICA and other organizations.

In a difficult environment, being able to successfully see through two Grant aid for conflict prevention and peacebuilding projects was a major achievement, and JICS received high appraisal by the South Sudan government and other local parties involved. JICS looks forward to future opportunities to participate in projects in South Sudan.

Grant Aid for Community Empowerment (Laos)

FY2008

- Project Name: The Project for Improvement of School Environments in Three Southern Provinces
- Objective: Construction of classrooms and toilet blocks for 74 primary schools (290 classrooms and 71 teachers' rooms) and the provision of classroom furniture in the three southern provinces of Laos, Salavanh, Sekong and Attapeu
- Agent Agreement Counterparty: Ministry of Education and Sports, Government of Lao PDR
- Grant Amount: ¥685 million
- Intergovernmental Agreement: February 12, 2009
- Delivery / Completion: September 2011

FY2010

- Project Name: The Project for the Improvement of School Environments in Champasack and Savannakhet Provinces
- Objective: Construction of classrooms and toilet blocks for 95 primary and lower secondary schools (including four additional schools) and the provision of classroom furniture (425 classrooms and 67 teachers' rooms) in the two provinces of Champasack and Savannakhet located in southern Laos
- Agent Agreement Counterparty: Ministry of Education and Sports, Government of Lao PDR
- Grant Amount: ¥1,018 million
- Intergovernmental Agreement: June 15, 2010
- Delivery / Completion: September 2012

Q. Please provide an overview of The Project for Improvement of School Environments in Three Southern Provinces in FY2008.

The Japanese government has previously focused its aid efforts vis-à-vis Laos on the basic education field, including the construction of primary schools and teacher training programs.

In particular, in the three southern provinces of Salavanh, Sekong and Attapeu, the net enrollment rate for primary education is below Laos' national average, and this region has a large number of school buildings that are in very poor condition owing to age, leading to a severe deterioration in the learning environment. Hence, with the aim of improving the educational environment in these three provinces, in 2009 a decision was made to implement The Project for Improvement of School Environments in Three Southern Provinces through Grant aid for community empowerment—the first instance of this aid scheme being applied in Laos. The project adopted local standard designs and specifications, and by utilizing local construction companies, the project aimed to reduce building costs while this approach is a unique feature. Within the project, JICS undertook project management, including selection and contracting of construction companies, procurement and aid funds management. JICS was involved in the construction of 74 schools, totaling 290 classrooms. Thanks to the project, new educational facilities with a capacity of 9,280 pupils were provided.

Q. Please outline The Project for the Improvement of School Environments in Champasack and Savannakhet Provinces in FY2010.

A range of factors contributed to the decision to carry out The Project for the Improvement of School Environments in Champasack and Savannakhet Provinces under the Japanese government's Grant aid for community empowerment scheme. The project's target region is situated on Laos' border with Cambodia and Viet Nam, where they suffer from high poverty rates and many children are not enrolled in school. Many facilities in the region required urgent replacement, as lower secondary education had recently changed from a three-year to a four-year system and there was a shortage of classrooms. In these two southern provinces, the project planned to construct 91 primary and lower secondary schools (four additional schools were added later).

For this project, similar to The Project for Improvement of School Environments in Three Southern Provinces, JICS managed the aid funds on behalf of the Government of Lao PDR as the project's procurement agent. In addition, JICS provided overall project management services related to the construction of the primary and lower secondary schools, including hiring of consultants, selection and contracting of construction companies and procurement of school furniture. Through this project, new educational facilities with a total capacity of 14,824 pupils were provided, making it possible for students to receive lessons in a greatly improved educational environment.

Q. What aspects of these projects proved difficult?

In The Project for Improvement of School Environments in Three Southern Provinces, although we conducted the tenders under the assumption that medium-sized or larger

construction companies in the Laotian capital city of Vientiane and medium-sized cities would participate, owing to the remoteness of the project sites from the capital city, most of the companies that actually submitted bids were small- to medium-sized construction firms based near to the project sites. These companies were particularly unfamiliar with the international competitive tender process using tender documents in English, leading to insufficient understanding of the tender documents and procedures, and there were many cases of bidding documents being flawed or incomplete. In the first tender round, 11 of the 13 lots failed to be concluded—an unexpected situation. After analyzing the causes of this breakdown in the tender process, when the lots were put up for re-tender, a very careful explanation was given at the pre-tender briefing for bidders, certain parts of the tender documents was provided in Lao, and the format for bid documents was made easier to prepare by the bidders. As a result of such efforts, all the lots were successfully tendered.

To ensure that the local companies performed construction work in compliance with contracts, ongoing discussions with construction companies regarding the content of contracts were held with the help of interpreters, leading to sufficient understanding and responses by the companies. During the



A school building prior to replacement



The completed Paksong Lower Secondary School building



The handover ceremony at Paksong Lower Secondary School

construction work, a variety of measures were undertaken to ensure sound performance of contracts. These included, with the use of consultants, conducting inspections on such things as concrete strength and furniture samples until results attained a pass standard, and meticulous construction management based on site visits.

In Laos, owing to the impact of the Viet Nam War, the concentration of unexploded ordnance is among the highest in the world. Hence, sites that had been declared free of unexploded ordnance by a local clearing agency were chosen for construction. However, in some instances, when excavations were carried out prior to the laying of foundations, unexploded ordnance was discovered in geological layers that inspections had been unable to reach, leading to cases in which we were forced to change the construction site.

Q. What experience did you gain that will be useful in future projects?

In both projects, we implemented specific measures to ensure that cash flow issues did not affect progress of construction work. For example, we set contract terms so that payments to construction companies could be made on a frequent basis without interruption.

While the adoption of local standard designs and specifications is a core aspect of the Grant aid for community empowerment scheme, since the projects are undertaken by Japan, we utilize Japanese consultants to provide proposals for improvements and strive to utilize the benefits of quality management. We believe that it is essential to build user-friendly educational facilities that provide added value, even through small improvements and refinements. For this reason, it is necessary to undertake persistent efforts to provide meticulous management and care so that local construction companies unaccustomed to Japanese methods will perform sound construction work based on a robust understanding of the contract conditions, including technical items. To facilitate smooth progress of projects, it is also important to build healthy

relationships through the sharing of information with the recipient country government and the promotion of understanding.

Q. What was the significance of these projects?

The fact that the projects remained on schedule and the completed facilities maintained a consistent standard was primarily attributable to the cooperation and diligence of local companies. However, through the execution of these projects, the local companies learned about the tender process and the thinking that underpins contracts, and through the construction management provided by Japanese consultants, appropriate construction methods were conveyed. As a result, we believe that the projects contributed to the enhancement of local company capabilities.

In The Project for the Improvement of School Environments in Champasack and Savannakhet Provinces, a total of 95 primary and lower secondary schools were built in Laos' two southern provinces. In a project like this that involves such a large number of schools, it is almost unprecedented to successfully complete the work with no schedule delays.

Before the commencement of the project, most school buildings in the region were wooden structures that showed a severe amount of aging. Some of these buildings had collapsed floors and leaking roofs, and could certainly not be described as an ideal learning environment. The school buildings built under these projects are attractive and clean, and provide a comfortable educational environment. Consequently, the number of children attending classes has risen, and actual evidence of improvements in pupil and teacher motivation levels has been confirmed. We believe that both projects will prove greatly beneficial to the futures of the children of Laos, and will also contribute significantly to the future good relationship between Japan and Laos.

Grant Aid for Community Empowerment (Mozambique)

- Project Name: The Project for Construction of Secondary Schools in Mozambique
- Objective: Construction of a total of four secondary schools in Gaza and Maputo provinces
- Agent Agreement Counterparty: Ministry of Education, Government of Mozambique
- Grant Amount: ¥1,015 million
- Intergovernmental Agreement: October 27, 2009
- Delivery / Completion: January 2012

Q. Please outline the background leading up to the decision to implement The Project for Construction of Secondary Schools in Mozambique.

Owing to the aftermath of the civil war in the 1980s, Mozambique's educational indications, including the number of educational facilities and school enrolment rates, are still lower compared with neighboring countries. Although the Mozambique economy is achieving remarkable growth, it is still in a relatively early phase of growth. In light of such factors, in 2006 the Government of Mozambique submitted a request to the Japanese government for grant aid relating to the construction of secondary schools. In response, following a study conducted by JICA, the two governments concluded the Exchange of Notes on October 27, 2009, under which it was agreed that grant aid funds necessary for the construction of a total of four secondary schools in Gaza and Maputo provinces would be provided.

As the procurement agent of the Ministry of Education of Mozambique, JICS carried out the procurement of goods and services necessary for the secondary school construction project and also provided overall project management services.



The Cobe Secondary School courtyard

This included the management of aid funds, hiring of consultants, selection and contracting of construction companies and procurement of school furniture. In particular, as part of a focus on smooth project management, JICS played a significant role in negotiations with the counterpart government and local companies as well as in the management of funds.

Q. Please describe the schools' operations since completion.

In October 2011, Chissano Secondary School (eight classrooms, total capacity of 448 students) and Manjakaze Secondary School (15 classrooms, total capacity of 840 students) in Gaza Province were completed and handed over. Then in January 2012, Cobe Secondary School (15 classrooms, total capacity of 840 students) and Kongolote Secondary School (20 classrooms, total capacity of 1,120 students) in Maputo Province were also completed and handed over.

All four schools built under this project have been used by students since immediately after the handover, and are being effectively utilized. In fact, facilities at Kongolote Secondary School in Maputo Province commenced use the day following handover, and for certain grades the school is already using a three-shift system each day, whereby the facilities are used in both the daytime and evening.

In each secondary school, in addition to the classroom blocks there are administration blocks comprising teachers' rooms and meeting rooms, multipurpose classroom blocks comprising computer rooms and science laboratories and covered sports facility that includes night lighting. The sports facility is used for ceremonies and physical education classes, and is also built to competition standard for such sports as basketball and handball, which are popular in Mozambique.

In particular, the two secondary schools in Maputo Province are relatively close to the Mozambique capital city of Maputo, which is approximately 30 minutes away by car, and the completion of these schools attracted much attention within the Mozambique Ministry of Education. Since the handover, all aspects of the facilities have been highly praised by the Mozambique side.

Q. The project appears to have progressed smoothly as a whole, but were there any specific difficulties encountered?

At the start of the project, within the planned secondary school construction sites near to urban areas, we faced a situation in which houses and shops built on the site boundaries. The issue appears to have been caused by a lack of checks on

the designated land by the Ministry of Education officials in charge of the project during the preliminary study phase, who made their decisions based solely on reports received from local municipalities. This problem was solved expeditiously and appropriately with the allocated schedule through three way discussions between JICS, the Ministry of Education and the local municipalities.

Another issue that arose was tax refunds (value added tax of 17%) on materials and labor costs, which were supposed to be tax exempt. The tax refunds did not arrive on time, leading to worries over the construction companies' cash flow situation. JICS approached the Ministry of Education section responsible on several occasions in an effort to have the refunds paid promptly, and this contributed to a reduction in the refund time and a consequent improvement in the construction companies' cash flow situation.

Other issues included periodic shortages in such building materials as lumber and cement as well as construction machinery owing to a building boom and a deterioration in the security situation owing to an influx of unlawful elements during the period in which the FIFA World Cup was staged in neighboring South Africa. Furthermore, there was the problem of workers suffering temporary hardship owing to rises in basic costs of living, such as bus fares and bread prices, which have a direct impact on local people's lives.

Despite such issues, ultimately we were able to build highly appraised secondary schools without any schedule delays. Based on local conditions and our experience in procurement management, the procurement policies and project management policies we formulated, along with their implementation, were successful, and as a procurement agent we felt great pleasure in contributing to the enhancement of the project's benefits.

Q. What kind of issues do you envisage arising in the future?

We believe that when it is possible to provide continuity in a particular country in the implementation of Grant aid for community empowerment projects, we can offer even greater effectiveness and efficiency in aid provision. By utilizing—on an ongoing basis—such assets as the network of contacts built up during a project with stakeholder institutions, various companies and highly capable local staff; information valuable in local procurement activities; and convenient local offices, housing and vehicles, we can avoid losses in time and expenses during the start-up phase of the next project. Such a scenario should provide near-ideal circumstances for



Students raise their hands when asked if they like the new school (Kongolote Secondary School)



The covered sports facility includes night lighting (Kongolote Secondary School)

procurement management. Although it is an issue that cannot be solved by efforts within JICS alone, we look forward to actions being undertaken that seek a solution.

Q. During this project, in which areas did JICS leverage its strengths most effectively?

The areas in which we were best able to utilize our experience were procurement, the setting of contract terms and the formulation of procurement policies, including the organization of procurement tender lots. To ensure a project's success and draw out the greatest benefits, it is essential to select companies with ample execution capabilities and carry out contract management based on appropriate terms. After the completion of the schools, the Ministry of Education of Mozambique offered high praise, stating, "It is the first time such a large-scale project in Mozambique has been completed on time, within budget."

JICS also received strong evaluations from a variety of involved parties, including the counterpart government, the

Japanese embassy and the local JICA office, for its detailed communication regarding such issues as commodity prices and the labor environment. For example, this involves such aspects as predicting the consequences of a situation where electricity or water supply—which are the responsibility of the counterpart government—are not connected by the necessary time, or where extra construction machinery may be required for the final stage of simultaneously erecting a steel building frame. During regular monthly meetings and other opportunities, our ability to offer detailed proposals in anticipation of such issues was based on the experience we have accumulated to date.

In addition, payments to local construction companies were made within approximately one week of receipt of an invoice, through transfers from JICS' head office. Consequently, even when the aforementioned issue of delays in receiving tax refunds arose, our prompt payments reduced the funding burden on local companies, and this helped to facilitate smooth workflow at the construction sites.

Program Grant Aid for Environment and Climate Change (Gabon)

- Project Name: The Forest Preservation Programme
- Objective: Aid to strengthen the forest preservation system in Gabon by procuring the necessary satellite photographs, materials, equipment and other items to conduct a forest inventory, and implementing the soft components
- Agent Agreement Counterparty: Ministry of Water and Forests, Government of Gabon
- Grant Amount: ¥700 million
- Intergovernmental Agreement: March 18, 2010
- Delivery / Completion: July 2012 (except for the new satellite photographs)

Q. Please tell us about the background to this project.

The three countries where JICS is carrying out the forest preservation programme—the Democratic Republic of the Congo, Cameroon and Gabon—are located in the Congo Basin, which is the world's second largest great forest area after the Amazon.

The national area of Gabon is about 70% the size of Japan, and 80% of this is said to be covered with forests. Exports of oil, manganese and other minerals are the top industry, with forestry second. As Gabon has a small population of about 1.5 million, the country had escaped deforestation, but in recent years logging and deforestation centered on rare species have become a problem.

To address this, the Ministry of Water and Forests of the Government of Gabon drafted a "Development of a System of National Forest Resources Inventory" to prepare the basic forest resource data essential for appropriate forest management. Gabon also plans to participate in the REDD (Reduced Emissions from Deforestation and forest Degradation) mechanism that is being deliberated under the international framework for countermeasures to climate change. While the details of the REDD mechanism are not yet decided, this is a system to give financial aid or other incentives to developing countries if they can prevent projected deforestation and forest degradation, for the equivalent amount of greenhouse gases that would have been emitted if they took no action. As such, the REDD mechanism is highly significant for forest superpowers like Gabon. Arranging basic forest resource data is also extremely important for participating in the REDD mechanism.

Forest inventories are carried out through a combination of RS (Remote Sensing) using satellite photographs and terrestrial surveys conducted by actually entering the forest. The current conditions of the forest can be seen and interpreted

using GIS (Geographic Information System) software, which combines the data collected using those two methods.

Because conducting a forest inventory on a nationwide scale first requires a large quantity of materials and equipment as well as the knowledge and technology to implement surveys using those items, the Government of Gabon asked the Government of Japan for cooperation in procuring the materials and equipment and for technical support.

Q. What is the purpose of this project and the contents of the works being carried out by JICS?

The purpose of this project is to support appropriate forest management in Gabon and the participation of Gabon in the REDD mechanism by procuring the materials and equipment required for a forest inventory and conducting technical training on the use of the procured materials and equipment as a soft component.



Marking a plot during the forest terrestrial survey



Conference announcing the training accomplishments: (front row, L. to R.) Ambassador of Japan to Gabon Masao Kobayashi, Minister for Water and Forests Gabriel Tchango and JICS project manager

The materials and equipment comprised 52 items including information-processing equipment, RS / GIS software, equipment for forest terrestrial survey works, vehicles for forest survey, and satellite photographs. The collection of satellite photographs included procurement from archives as well as the taking of new photographs. The Exchange of Notes specified that the materials and equipment would be procured in Japan or Gabon in principle, and for the archive images, for example, JICS procured satellite photographs from the JAXA (Japan Aerospace Exploration Agency) ALOS (Advanced Land Observing Satellite). The other procured materials and equipment were mostly made in Japan or produced by Japanese manufacturers. Those items difficult to source in this way were designated by committee as special items and procured from the EU and other areas.

After the materials and equipment arrived in Gabon, the training was conducted over a period of three months for a total of 54 trainees, mostly Ministry of Water and Forests employees, with a month devoted to each of the topics—RS, forest terrestrial surveys, and GIS.

Q. What kinds of difficulties did you encounter in the project implementation?

It took a long time from when the procurement agency contract was signed until all the items were confirmed. This was because there are multiple concerned organs in the Government of Gabon, and it took longer than expected for coordination and negotiations, and also because there were a large number of materials and equipment items being procured. Because of the large number of items, the preliminary surveys to confirm the items took longer and there was also a vast amount of work after the items were confirmed. Beyond the sheer quantity, many of the items were highly specialized items with which JICS had no prior experience. So JICS consigned

the draft preparation of specifications and price surveys to an external consultant with expertise in the forestry sector, and that draft was then carefully examined and completed by JICS. The procurement still demands careful attention given the large number of materials and equipment items procured and the high likelihood that minor problems may occur in the delivery process or even after delivery.

Q. Did the project advance according to schedule?

The materials and equipment were all delivered by June 2012, with the exception of the new satellite photographs. The satellite photography is scheduled to continue daily through March 2013. Because it is frequently cloudy in Gabon throughout the year, and the photographs are being taken from above the clouds, this makes it very difficult to record images that meet our requirements. The technical training was completed without incident and a conference held to announce the accomplishments on July 13, 2012. Three representatives of the students made presentations using slides in front of about 70 participants, including the Minister for Water and Forests and the Ambassador of Japan to Gabon. The conference also drew a large number of local media, and was widely reported.

Q. What do you think was the significance of this project?

While many developing countries are showing an interest in the REDD mechanism, the collection of data which is a prerequisite to participation is a major hurdle. Gabon devised a "Development of a System of National Forest Resources Inventory", but had almost none of the materials, equipment and technologies required for implementation. Because Japan conducted this project with this timing, the small forest superpower Gabon has moved a step closer toward REDD participation. This project was centered on procurement of equipment and materials, with the technology support limited to very short-term assistance. That has been taken over by a three-year JICA survey-type technical cooperation development plan, which began from the end of August 2012. With this coordination, the materials, equipment and technology will all be in place for Gabon's forest inventory works to proceed. JICS also implemented projects with essentially the same contents as this project in the nearby countries Cameroon and the Democratic Republic of the Congo. Regardless of the future progress of discussions on the REDD mechanism, an accurate grasp of current forest conditions will remain important for forest management. In that sense, JICS has made a major contribution to forest preservation in the three countries of the Congo Basin, which is known as the world's second lung.

Program Grant Aid for Environment and Climate Change "The Project for Introduction of Clean Energy by Solar Electricity Generation System" (Palau, Afghanistan, Jordan, etc.)

- Project Name: The Project for Introduction of Clean Energy by Solar Electricity Generation System
- Objective: Install photovoltaic systems and conduct technical training on the basic knowledge and maintenance methods of the systems
- Recipients (Partner Country Implementing Bodies): Sri Lanka (Sustainable Energy Authority), Jordan (Royal Scientific Society [site 1], Ministry of Tourism & Antiquities [site 2]), Palau (Ministry of Public Infrastructure, Industries and Commerce; Palau Public Utilities Corporation), Pakistan (Planning Commission, Pakistan Technology Board), Afghanistan (Ministry of Transport and Civil Aviation)
- Completion Dates: Sri Lanka: July 28, 2011, Jordan: November 16, 2011 (site 1), December 1, 2011 (site 2), Palau: November 14, 2011, Pakistan: March 22, 2012, Afghanistan: November. 13, 2011

Of the 27 solar electricity generation system projects begun in FY2009, a total of five projects were completed in Sri Lanka, Jordan, Palau, Pakistan and Afghanistan in FY2011.

Q. First, I would like to ask about the individual projects. Please tell us the status of Palau's solar electricity generation project.

The installation of 225kW of solar panels at Palau International Airport parking lot was completed and a handover ceremony held on November 17, 2011.

The Program grant aid for environment and climate change project in Palau The Project for Introduction of Clean Energy by Solar Electricity Generation System was designed to reduce CO₂ emissions by switching some diesel electric power generation to renewable energies. JICS concluded a procurement agency contract with Palau's Ministry of Public Infrastructure, Industries and Commerce, and conducted the overall project management including management of aid funds and procurement of materials, equipment and services. The project included training in equipment operation and maintenance methods by Japanese engineers so that the people in Palau can smoothly operate the solar electricity system after the handover, and the procurement and installation works proceeded without any major problems.

Q. How was the solar electricity project in Afghanistan?

Following a preparatory survey prior to the cooperation by JICA, the governments of Japan and Afghanistan concluded the Exchange of Notes concerning the implementation of this project on March 22, 2010. JICS held bids on the solar electricity system, concluded agreements with Japanese contractors and began the survey work. The project scope was to install a solar electricity system inside Kabul International Airport in Kabul, which is the capital of Afghanistan. The works were conducted from April through November 2011. This project in Afghanistan, which has poor public safety, involved exceptional security efforts, but with the great efforts of everyone involved the construction work, was completed on schedule and the facilities were handed over to the host government on December 13, 2011. The solar electricity system has 245kW and generates 400,000kW per year, equivalent to about 30% of the airport's annual electricity consumption. The airport terminal has a panel showing the electricity generation as part of public education to airport users.

The interest in environmental issues and clean energy is still low in Afghanistan, which suffers poor public safety. We hope the solar electricity generation system installed under this project will be used for a long time, elicit greater interest in clean energy, and help ease even slightly the electricity shortage in that country.

Q. Please tell us the outline of the solar electricity project for the Dead Sea Panorama Complex.

The Government of Japan decided to implement the Program grant aid for environment and climate change project The Project for Introduction of Clean Energy by Solar Electricity Generation System in Jordan which lacks domestic energy resources and where stable energy supply is an issue, and entrusted the entire project supervision to JICS from the initial survey through the installation works, including management of the aid funds.

The Dead Sea Panorama Complex, which is one of the project sites, is managed by the Ministry of Tourism & Antiquities and was constructed using ODA loan. This museum continuously transmits information on the conditions of the Dead Sea, where the water level has declined by more than 25 meters over the past 40 years, that should serve as an alarm warning for climate change and environmental destruction. Based on a request from the Government of Jordan, a roughly 100kW solar electricity generation system was installed at this location. This project contributes to the reduction of greenhouse gas emissions in Jordan, which is suffering severe damage from climate change. It is also expected to serve as a showcase introducing superior Japanese environmental technology and fostering public interest in environmental problems.

When the solar electricity generation system was completed, the concerned parties in Jordan praised Japan's technology and expressed expectations about the future potential for solar electricity generation. With the installation of this solar electricity generation system, we expect the Dead Sea Panorama Complex will continue to serve and develop its role as a base presenting information on environmental problems.



Solar electricity generation system installed at Palau International Airport



Solar electricity generation system inside Kabul International Airport (Afghanistan)

Q. What kinds of companies bid on this project?

In addition to providing aid to the recipient country, the goals of The Project for Introduction of Clean Energy by Solar Electricity Generation System include introducing superior Japanese environmental technologies to developing countries. So the tender conditions required bids from Japanese companies to provide "electricity generation systems produced by Japanese companies in Japan." Japanese trading companies submitted bids combining manufacturers of solar panels, power conditioners and other components of solar electricity generation systems.

The companies that submitted bids were almost all medium and large Japanese trading companies, but a large number of Japanese manufacturers and construction companies were actually involved under these trading companies and moved the project forward.

Q. Please tell us about any difficulties with this project, and areas where JICS made use of its experience.

JICS had no prior experience related to The Project for Introduction of Clean Energy by Solar Electricity Generation System, so there was a certain amount of trial and error. Because this project was being advanced in 27 countries across the world simultaneously, the procedural problems and issues that emerged at the earlier project sites had to be quickly reflected

at other locations. The first example was the need for systems integrators to manage the overall solar electricity generation systems. After the project began, it became clear that on-site coordination by just JICS, the trading companies and the manufacturers was difficult, so the bidding requirements were revised to include the mandatory participation of a systems integrator.

Meanwhile, there were major changes in the solar panel market from around 2010, with prices dropping by almost half because of a decrease in the price of the raw material silicon. This made it possible to buy a larger number of panels within the initial budget, and installing larger systems became the norm. In some countries new problems then arose, such as purchasing additional land for the additional panels, and JICS' experience was particularly useful in negotiating with the partner country governments and other concerned parties regarding the expanded installations.

Q. What do you think is the significance of The Project for Introduction of Clean Energy by Solar Electricity Generation System?

In this project, JICS gained the difficult but valuable experience of simultaneously pursuing the same project at 27 locations worldwide. We also gained know-how in such areas as setting tender documents terms and coordinating among concerned organs and organizations in procurement, which will be useful for taking charge of such future projects as constructing earthquake network systems and telecommunications systems.

Emergency Grant Aid (Thailand)

- Project Name: Emergency Grant Aid for Flood Disaster in Thailand
- Objective: Provision of drain pumps, boats with engines, etc.
- Agent Agreement Counterparty: Government of Thailand

- Grant Amount: ¥1,000 million
- Intergovernmental Agreement: November 21, 2011
- Delivery / Completion: December 3, 2011

Q. Please tell us about the background to this project.

Thailand suffered large-scale flooding primarily in the central part of the country as a result of heavy rainfall which began from late July 2011. The flooding took over 800 lives and caused damage in over 30 provinces.

In response, from October 2011 the Japanese government sent tents, water purifiers, temporary toilets and other emergency aid supplies, and dispatched Japan Disaster Relief Expert Teams (drain pump vehicle team, etc.) to assist the operation,

maintenance and management of water supply facilities during the flooding.

In response to the needs of the Government of Thailand, on November 21, 2011 the governments of Japan and Thailand exchanged the Note Verbal on implementing ¥1.0 billion in emergency grant aid for the purchase of materials and equipment, and JICS concluded an Agent Agreement with the Government of Thailand on November 23.

Q. What were the roles performed by JICS?

In this project, as the procurement agent of the Thai government, JICS managed the aid funds, conducted the procurement and supervised the delivery of drain pumps, boats with engines and other equipment and materials for restoration following the flooding damage and assistance to the disaster victims.

Some of the areas were still flooded at that time, which demanded quick procurement works. With the cooperation of the concerned parties, JICS was able to deliver drain pumps to Samut Sakohn Province, which was suffering flooding, on December 3, 2011.



Japanese drain pumps delivered to Samut Sakohn Province

JICS Recent Events

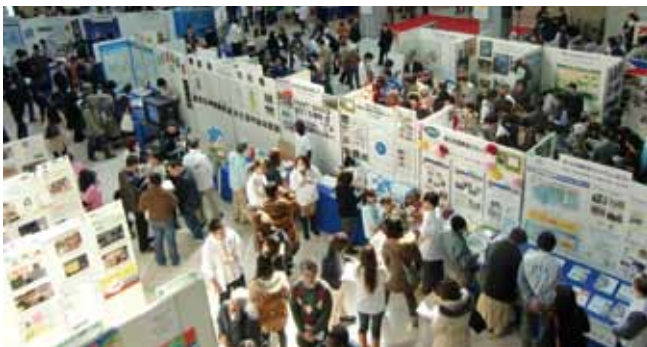
Participation in International Cooperation Events

JICS participated in two international cooperation events during FY2011.

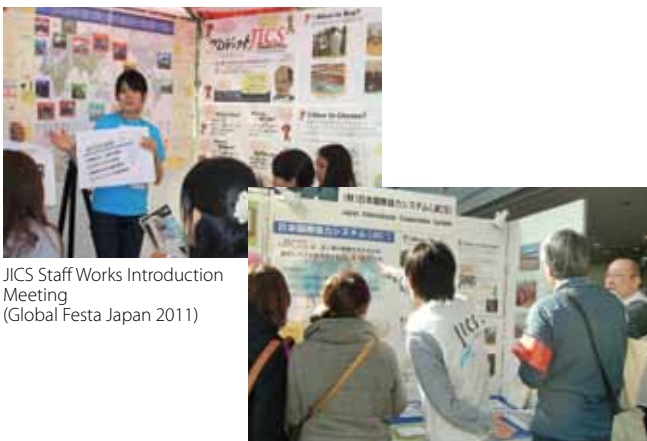
At Global Festa Japan 2011 (held at Hibiya Park in Tokyo on October 1 and 2, 2011), JICS displayed panels introducing our organization and procurement works, presenting a project in which JICS employees volunteered immediately after the Great East Japan Earthquake to collect messages of condolences and encouragement and pictures from all over the world and delivered them to the disaster areas, and showing examples of assistance projects in which JICS participated in countries and regions that suffered natural disasters. As in prior years, JICS also presented JICS Staff Works Introduction Meetings, where young staff gave explanations of the works they are responsible for at JICS.

At One World Festival (held at the Osaka International House Foundation on February 4 and 5, 2012), JICS participated as one member of the Joint ODA Booth together with the Ministry of Foreign Affairs, Japan International Cooperation Agency (JICA) Osaka International Centre and other organizations involved with ODA.

The Joint ODA Booth made a coordinated presentation whereby visitors could learn more about the structure and works of the participating organizations at their individual corners. An NGO support system explanation meeting and a booth participants exchange meeting were held after the Festival ended on February 4. JICS presented an outline of the NGO support activities it conducts as part of its social contribution activities.



One World Festival



JICS Staff Works Introduction Meeting
(Global Festa Japan 2011)

Detailed explanation of JICS procurement works
(One World Festival)

At both of the international cooperation events, students and other visitors asked many questions about JICS as an organization and the contents of its works.

Reports and Exchange of Views on the NGO Support Activities of JICS in FY2011

A meeting for reports and exchange of views on the NGO support activities of JICS was held at the JICS head office on October 27, 2011.

In the activity reports in the first half of the meeting, 11 NGOs gave outlines of their organizations and reported on the contents and results of their activities implemented with JICS support during FY2008–FY2009. Representatives from other NGOs, experts, examiners and other participants made comments, gave advice and asked questions.

In the second half of the meeting, participants exchanged opinions, particularly about fundraising after the Great East Japan Earthquake and about the problems facing each group and ways to solve them.

During the breaks and after the meeting was over, the NGO representatives who are passionately engaged in international cooperation enjoyed talking and exchanging information.



NGO representatives reporting their activities



Participants took advantage of breaks to exchange information

JICS Receives Privacy Mark

JICS acquired the Privacy Mark (P Mark) on June 17, 2011. The Privacy Mark System, which started operating in April 1998, is “a system which certifies, using certain criteria, organizations that have prepared systems which devise measures to appropriately protect personal information, and recognizes the use of the Privacy Mark in their operating activities.” JICS arranged related regulations and has been handling personal information in accordance with those regulations since FY2009, and has conducted employee training and other efforts.

The entire JICS organization will continue handling personal information in an appropriate manner, and work at further boosting employee awareness of the protection of personal information.



Task Forces on Operations, Human Resources and Organization

As JICS will face a more competitive environment than in the past with the transition to becoming a general incorporated foundation, JICS launched three task forces on operations, human resources and organization, and examined efforts to resolve issues from the viewpoint of strengthening competitiveness.

The operations task force prepared a Medium-term Operational Action Plan covering the three years from FY2012. This plan depicts the ideal image for JICS in 10 years time, and presents the operations direction. It also sets detailed numerical targets for the medium and long-term future.

The human resources task force prepared a Human Resources Development Grand Design from the viewpoint of fostering personnel suitable to work at international procurement organs.

The organization task force examined JICS' optimal organizational structure. The purpose of the reform was to enable managers to keep closely in touch with their subordinates' progress and provide more detailed guidance and supervision than was possible in the past. After the examination, we decided on reforms from a structure of three departments and 16 offices and divisions to a structure of two offices, five departments and 18 divisions.

New Vice President and Secretary General

The JICS Vice President and Secretary General changed from August 1, 2011.

Former Vice President: Takashi Sakamoto → New Vice President: Toshiyuki Ezuka

Former Secretary General: Toshiyuki Ezuka → New Secretary General: Nobuhiko Kawakami

The Secretary General was the first “career Secretary General” of JICS.

Note: With the organizational reform of April 1, 2012, then-Vice President Ezuka was appointed Vice President and then-Secretary General Kawakami was appointed Senior Director General.

FY2011 Meetings of the Board of Trustees and the Board of Directors

In FY2011, with the transition to becoming a general incorporated foundation, there were many deliberations regarding matters related to that transition in addition to regular matters (e.g., the previous year's business report and settlement of accounts, the subsequent year's business plan and budget). The Articles of Incorporation, which are like the constitution under the new organizational structure, were approved following discussions at two meetings.



Board of Trustees

Social Activities of JICS

Delivery of Pictures from Children across the World to the Great East Japan Earthquake Disaster Areas

Following the March 2011 Great East Japan Earthquake, JICS employees voluntarily collected pictures and messages from countries all over the world, using their own networks, and delivered these to the disaster areas in Japan.

By the middle of June 2011, they received many colorful pictures and messages of condolences, encouragement and support from a range of countries including Pakistan, Cameroon, Nicaragua, Indonesia and Mongolia. The volunteers added Japanese translations to each picture or message along with the flag of the country it was sent from, and pasted them onto construction paper.

The pictures and messages prepared were given to Japanese Red Cross Ishinomaki Hospital on June 27, and to two elementary schools in Miyagi Prefecture in early July. The pictures at the hospital were displayed at the hospital gallery.

This project conveyed the sentiment of the children of the world to the people living in the disaster areas.



Children in Pakistan who drew one of the pictures



Display at the Japanese Red Cross Ishinomaki Hospital gallery

Efforts to Promote Understanding of International Cooperation

JICS hosts students for integrated study and dispatches lecturers to deepen understanding of international cooperation, ODA and JICS activities among a broader range of people.

In FY2011, JICS presented lectures at two schools and hosted one school group for social contribution learning. The details are as follows.



Lecture at the Meguro Ward Higashiyama Junior High School

● Lectures

Date	Location	Theme	Contents
Jun. 9, 2011	Josai Kawagoe High School (Kawagoe City, Saitama Prefecture)	"The World's Common Language and International Cooperation"	President Nakatani presented a lecture on the basics of Japan's diplomacy, Japan's ODA efforts toward global peace and stability, the role of JICS and other items to all the approximately 850 students.
Mar. 7, 2012	Meguro Higashiyama Junior High School (Meguro Ward, Tokyo)	"Look at the World – What is Important to You as a Japanese"	President Nakatani presented a lecture to all the approximately 180 ninth grade students. He spoke about the current conditions of the international community focusing on the poverty issue, needs of the international cooperation and introduced ODA projects in which JICS has participated. He also discussed common global values and other topics.

● Hosting Social Contribution Learning

Date	School Hosted	Theme	Contents
Feb. 1, 2012	Tokyo Jogakkan Middle School (Shibuya Ward, Tokyo)	"International Society and Issues facing Humanity"	Six ninth grade students visited JICS, and received an explanation of the ODA structure from an employee, who answered their questions. The students also assisted JICS staff to prepare for a planned exhibition event.

The NGO Support Activities of JICS in FY2011

JICS has been providing support to small and medium NGOs since FY1999 as one social contribution activity, to realize higher quality international cooperation.

In FY2011, JICS received applications seeking assistance from 33 NGOs, of which 14 organizations were chosen to receive support by the Review Committee. Many of the applications were from comparatively small-scale NGOs requesting funds for strengthening the foundations of the NGO*.

Assistance to reinforce the foundations of NGOs is a distinctive characteristic of this program. There are very strong needs at small and medium NGO groups aiming at stable management and stronger foundations, and JICS receives many such applications each year. * Support to strengthen the actual structure of the NGO, rather than support for NGO project activities.

● NGOs Supported by JICS in FY2011

Name of NGO	Country	Support Description	Amount Granted (yen)
Aspiring Citizens for Community Empowerment with sunny smile	Japan	Under a three-year plan to strengthen financial affairs and financial policy, hire full-time staff aiming at a stable organizational structure with the ability to procure funds.	Funds for strengthening the foundations of the NGO ¥700,000
Association for Ophthalmic Cooperation in Asia	Tibet	Dispatch Japanese doctors to provide appropriate eye care to refugee communities and build the foundations for exchange between local doctors and refugees.	Project operation expenses ¥700,000
The society of the mint which supports an Iranian handicapped person	Iran	Hold a study group on assistive devices for the autonomy of disabled persons with spinal or cervical spine injury and for the training of peer counselors and nursing specialists.	Equipment and materials purchase and transport expenses; project operation expenses ¥700,000
Actions for Children in Crisis	Serbia	Provide opportunities to practice traditional handicrafts to rebuild the elderly women's community among refugees in Kosovo and provide psychological empowerment.	Equipment and materials purchase and transport expenses; project operation expenses ¥650,000
Asia Pacific Sustainable Development	Japan	Hire full-time staff to secure new members and establish the organizational structure via publicity on activities making use of agricultural know-how.	Funds for strengthening the foundations of the NGO ¥700,000
ASIAN PEOPLE'S FRIENDSHIP SOCIETY	Japan	Hire full-time staff to build up a new revenue structure revising and using advertising media toward stable organization management.	Funds for strengthening the foundations of the NGO ¥650,000
KANSAI NGO COUNCIL	Japan	Hire full-time staff to strengthen the group's governance and management, and its network-building function with member NGOs and other sectors.	Funds for strengthening the foundations of the NGO ¥700,000
People's Forum on Cambodia, Japan (PEFOC, J)	Japan	Expand public relations works and the secretariat structure toward stable organizational operations and public information works on the problems facing Cambodia.	Funds for strengthening the foundations of the NGO ¥650,000
Green Field Network Philippines	The Philippines	Conduct facilities repairs and improvement works to the "Wish House", which provides childcare for preschool children of people in poverty, and a place where they can learn without concern.	Equipment and materials purchase and transport expenses; project operation expenses ¥650,000
SECOND HAND, Japan	Cambodia	Hold a workshop by Japanese doctors for education on emergency medicine, produce and distribute handbooks, and conduct training of local doctors.	Project operation expenses ¥700,000
Human Rights Now	India	Conduct a policy proposal campaign to grasp the conditions and eradicate human trafficking, toward eliminating child trafficking and child labor.	Project operation expenses ¥700,000
Laligurans Japan	Nepal	Employ medical staff toward strengthening the HIV and AIDS care structure for women rescued from human trafficking organizations and residents living nearby the care center.	Project operation expenses ¥700,000
Link ~ an organization for linking together forest, water & people	Thailand	Educate the public by collecting the necessary data and preparing pamphlets to improve the problems that arise in forest conservation activities by residents under joint use by different ethnic groups.	Project operation expenses ¥700,000
NPO Waku-Waku GAIA	Myanmar	Prepare an accounting system and product sales network for the continuation, autonomy and stable management of skills training at girls schools, and open a local office.	Project operation expenses; funds for strengthening the foundations of the NGO ¥650,000