



(Unit: yen)

| Item   | FY2018               | FY2017               | Variance             |
|--|----------------------|----------------------|----------------------|
| <b>I Assets</b>  |                      |                      |                      |
| <b>1. Current assets</b>   |                      |                      |                      |
| Cash equivalents   | 483,373,829          | 755,755,654          | (272,381,825)        |
| Accrued revenues   | 355,365,739          | 348,680,081          | 6,685,658            |
| Prepaid expenses   | 10,245,574           | 12,119,281           | (1,873,707)          |
| Advances paid  | 2,160                | 9,727,719            | (9,725,559)          |
| Suspense payments  | 3,162,427            | 8,713,208            | (5,550,781)          |
| <b>Total current assets</b>                                      | <b>852,149,729</b>   | <b>1,134,995,943</b> | <b>(282,846,214)</b> |
| <b>2. Fixed assets</b>   |                      |                      |                      |
| <b>(1) Endowment</b>   |                      |                      |                      |
| Endowment in installment deposits                                | 187,000,000          | 137,000,000          | 50,000,000           |
| Endowment in investment securities                               | 200,000,000          | 250,000,000          | (50,000,000)         |
| <b>Total endowment</b>   | <b>387,000,000</b>   | <b>387,000,000</b>   | <b>0</b>             |
| <b>(2) Specific assets</b>                                       |                      |                      |                      |
| Accumulated assets for support to non-governmental organizations | 10,000,000           | 10,000,000           | 0                    |
| Assets reserved for executive officers' retirement benefits      | 10,086,000           | 9,358,500            | 727,500              |
| <b>Total specific assets</b>                                     | <b>20,086,000</b>    | <b>19,358,500</b>    | <b>727,500</b>       |
| <b>(3) Other fixed assets</b>                                    |                      |                      |                      |
| Vehicles and other transportation devices                        | 0                    | 4,767,377            | (4,767,377)          |
| Equipment attached to building                                   | 70,208,723           | 76,831,208           | (6,622,485)          |
| Appliances and fixtures  | 59,034,844           | 76,699,648           | (17,664,804)         |
| Software   | 188,847,374          | 170,255,051          | 18,592,323           |
| Deposit and security moneys                                      | 71,277,298           | 72,627,481           | (1,350,183)          |
| Long-term prepaid expenses                                       | 5,578,359            | 4,511,778            | 1,066,581            |
| Prepaid pension expenses   | 68,024,846           | 76,084,534           | (8,059,688)          |
| Investment securities  | 327,257              | 37,326               | 289,931              |
| <b>Total other fixed assets</b>                                  | <b>463,298,701</b>   | <b>481,814,403</b>   | <b>(18,515,702)</b>  |
| <b>Total fixed assets</b>  | <b>870,384,701</b>   | <b>888,172,903</b>   | <b>(17,788,202)</b>  |
| <b>Total assets 1)</b>   | <b>1,722,534,430</b> | <b>2,023,168,846</b> | <b>(300,634,416)</b> |
| <b>II Liabilities</b>  |                      |                      |                      |
| <b>1. Current liabilities</b>                                    |                      |                      |                      |
| Accrued payments   | 70,977,662           | 92,678,511           | (21,700,849)         |
| Allowance for bonus  | 62,723,703           | 102,300,220          | (39,576,517)         |
| Suspense receipt   | 0                    | 0                    | 0                    |
| Deposit received   | 12,969,439           | 14,205,393           | (1,235,954)          |
| Deposit received for the Improvement of the Petra Museum Project | 37,509,584           | 280,076,097          | (242,566,513)        |
| Reserve for operational losses                                   | 0                    | 22,014,889           | (22,014,889)         |
| Income tax payable   | 70,000               | 64,100               | 5,900                |
| <b>Total current liabilities</b>                                 | <b>184,250,388</b>   | <b>511,339,210</b>   | <b>(327,088,822)</b> |
| <b>2. Fixed liabilities</b>                                      |                      |                      |                      |
| Provision for retirement benefits                                | 2,400,000            | 0                    | 2,400,000            |
| Reserve for executive officers' retirement benefits              | 10,086,000           | 9,358,500            | 727,500              |
| <b>Total fixed liabilities</b>                                   | <b>12,486,000</b>    | <b>9,358,500</b>     | <b>3,127,500</b>     |
| <b>Total liabilities 2)</b>                                      | <b>196,736,388</b>   | <b>520,697,710</b>   | <b>(323,961,322)</b> |
| <b>III Net Assets</b>  |                      |                      |                      |
| <b>1. Designated net assets</b>                                  |                      |                      |                      |
| Contributions and subscriptions                                  | 372,000,000          | 372,000,000          | 0                    |
| <b>Total designated net assets</b>                               | <b>372,000,000</b>   | <b>372,000,000</b>   | <b>0</b>             |
| [Amount of allotment to the endowment]                           | [372,000,000]        | [372,000,000]        | [0]                  |
| <b>2. General net assets</b>                                     |                      |                      |                      |
| [Amount of allotment to the endowment]                           | [15,000,000]         | [15,000,000]         | [0]                  |
| [Amount of allotment to specific assets]                         | [10,000,000]         | [10,000,000]         | [0]                  |
| <b>Total net assets 1) - 2)</b>                                  | <b>1,525,798,042</b> | <b>1,502,471,136</b> | <b>23,326,906</b>    |
| <b>Total liabilities and net assets</b>                          | <b>1,722,534,430</b> | <b>2,023,168,846</b> | <b>(300,634,416)</b> |

# Fiscal 2018 Statement of Net Equity Increase (Decrease)

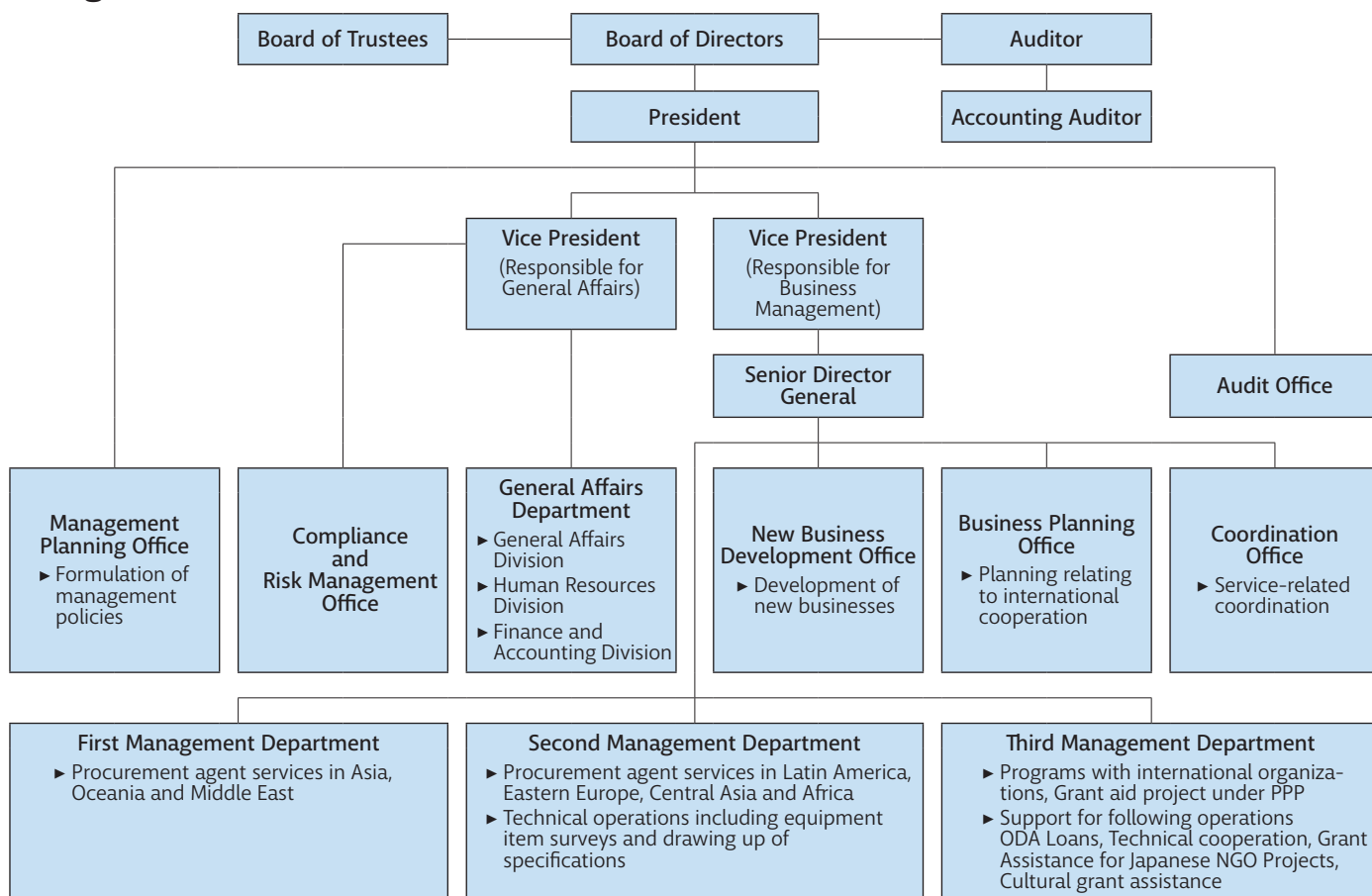
April 1, 2018–March 31, 2019

(Unit: yen)

| Item  | FY2018               | FY2017               | Variance             |
|---|----------------------|----------------------|----------------------|
| <b>I General Net Assets Increase or Decrease</b>  |                      |                      |                      |
| <b>1. Current increase or decrease</b>  |                      |                      |                      |
| (1) Current profits   |                      |                      |                      |
| 1) Profit from the management of the endowment  | 1,971,572            | 2,025,211            | (53,639)             |
| Interest received from the endowment  | 1,971,572            | 2,025,211            | (53,639)             |
| 2) Profit from business activities  | 2,033,692,121        | 2,380,328,445        | (346,636,324)        |
| Profit from grant aid programs  | 1,623,625,810        | 1,906,702,133        | (283,076,323)        |
| Profit from technical cooperation programs  | 54,002,978           | 95,372,714           | (41,369,736)         |
| Profit from loan programs   | 218,000,208          | 223,208,438          | (5,208,230)          |
| Profit from programs with international agencies and organizations, etc.                        | 96,230,152           | 121,612,533          | (25,382,381)         |
| Profit from other commissioned projects   | 41,832,973           | 33,432,627           | 8,400,346            |
| 3) Miscellaneous profits  | 4,205,453            | 5,044,124            | (838,671)            |
| Miscellaneous profits   | 4,205,453            | 5,044,124            | (838,671)            |
| <b>Total current profits (A)</b>  | <b>2,039,869,146</b> | <b>2,387,397,780</b> | <b>(347,528,634)</b> |
| (2) Current expenses  |                      |                      |                      |
| 1) Operating expenses   | 1,677,058,372        | 1,883,354,281        | (206,295,909)        |
| 2) Administrative expenses  | 343,611,830          | 435,011,925          | (91,400,095)         |
| <b>Total current expenses (B)</b>   | <b>2,020,670,202</b> | <b>2,318,366,206</b> | <b>(297,696,004)</b> |
| <b>Current increase or decrease for the year (C) = (A) - (B)</b>                                | <b>19,198,944</b>    | <b>69,031,574</b>    | <b>(49,832,630)</b>  |
| <b>2. Nonrecurring increase or decrease</b>   |                      |                      |                      |
| (1) Nonrecurring increase   |                      |                      |                      |
| 1) Gain on sales of fixed assets  | 1,641,614            | 44,630               | 1,596,984            |
| 2) Reversal of provision for head office's restoration  | 0                    | 2,002,000            | (2,002,000)          |
| <b>Total nonrecurring increase</b>  | <b>1,641,614</b>     | <b>2,046,630</b>     | <b>(405,016)</b>     |
| (2) Nonrecurring expenses   |                      |                      |                      |
| 1) Loss on sales and retirement of noncurrent assets  | 794,708              | 19,331,378           | (18,536,670)         |
| 2) Office transfer expenses   | 0                    | 14,200,481           | (14,200,481)         |
| <b>Total nonrecurring expenses</b>  | <b>794,708</b>       | <b>33,531,859</b>    | <b>(32,737,151)</b>  |
| <b>Nonrecurring increase or decrease for the year (D)</b>                                       | <b>846,906</b>       | <b>(31,485,229)</b>  | <b>32,332,135</b>    |
| <b>General net assets increase or decrease for the year before income taxes (E) = (C) + (D)</b> | <b>20,045,850</b>    | <b>37,546,345</b>    | <b>(17,500,495)</b>  |
| Income taxes—current (F)  | (3,281,056)          | 390,596              | (3,671,652)          |
| <b>General net assets increase or decrease for the year (G) = (E) - (F)</b>                     | <b>23,326,906</b>    | <b>37,155,749</b>    | <b>(13,828,843)</b>  |
| <b>General net assets at beginning of year (H)</b>  | <b>1,130,471,136</b> | <b>1,093,315,387</b> | <b>37,155,749</b>    |
| <b>General net assets at end of year (I) = (G) + (H)</b>  | <b>1,153,798,042</b> | <b>1,130,471,136</b> | <b>23,326,906</b>    |
| <b>II Designated Net Assets Increase or Decrease</b>  |                      |                      |                      |
| 1) Amount of transfer to general net assets   | 0                    | 0                    | 0                    |
| Amount of transfer to general net assets  | 0                    | 0                    | 0                    |
| <b>Designated net assets increase or decrease for the year</b>                                  | <b>0</b>             | <b>0</b>             | <b>0</b>             |
| <b>Designated net assets at beginning of year</b>   | <b>372,000,000</b>   | <b>372,000,000</b>   | <b>0</b>             |
| <b>Designated net assets at end of year (J)</b>   | <b>372,000,000</b>   | <b>372,000,000</b>   | <b>0</b>             |
| <b>III Net Assets at End of Year (I) + (J)</b>  | <b>1,525,798,042</b> | <b>1,502,471,136</b> | <b>23,326,906</b>    |

# Organization Chart and Board of Directors/Board of Trustees

## Organization Chart (As of August 1, 2019)



## Board of Directors/Board of Trustees

### Board of Directors and Accounting Auditor As of August 1, 2019

|                    |                 |  |
|--------------------|-----------------|--|
| President          | Toru Kubo       |  |
| Vice President     | Kazuki Takeuchi |  |
| Executive Director | Hiroki Kato     | General Manager, Legal Department, Ajinomoto Co., Inc. |
| Executive Director | Kazuko Kawamata | Professor, Faculty of Law, Rissho University           |
| Auditor            | Naoki Sou       | Certified Public Accountant, Tax Accountant            |
| Auditor            | Michio Masaki   | Attorney at Law, CITY-YUWA PARTNERS                    |
| Accounting Auditor | Kiyoshi Toi     | Certified Public Accountant                            |

### Board of Trustees As of August 1, 2019

|          |                     |  |
|----------|---------------------|--|
| Chairman | Masaaki Takeuchi    | President, International Development Center of Japan   |
| Members  | Michiyo Arita       | Secretary General, International Cultural Institute  |
|          | Makoto Oka          | General Manager, Economic Cooperation Office, MUFG Bank, Ltd.  |
|          | Kiyoshi Kodera      | Former Executive Secretary of Development Committee of the World Bank and International Monetary Fund, Former Deputy Vice-Minister for International Affairs, Ministry of Finance, Japan, Former Vice President of Japan International Cooperation Agency (JICA), Chair of the Board of WaterAid Japan |
|          | Makoto Tochigi      | Journalist   |
|          | Yoshihiro Yamaguchi | Senior Executive Director, The Overseas Construction Association of Japan, Inc.  |
|          | Sachiko Yamano      | President, Japan International Cooperation Center  |

In fiscal 2018, the Board of Directors met six times and the Board of Trustees met three times. At Board of Directors' meetings, management overviews, business issues, and management and organizational issues were reported in a timely manner and key issues were deliberated.

## 1. JICS' Compliance Policy

JICS carries out procurement and other related activities for international cooperation projects. Accordingly, in addition to its employees, JICS' stakeholders include the government and citizens of Japan, governments and citizens of countries that receive aid through such projects, as well as organizations offering tenders, and contractors such as suppliers, construction companies, and

consultants. JICS understands that its ability to act in the interests of these stakeholders is integral to its mission.

JICS' procurement activities are equivalent to public procurement, and, therefore, must be conducted fairly and appropriately while ensuring transparency. Therefore, JICS has established a compliance system for the purpose of maintaining a high level of trust among its stakeholders.

## 2. Compliance System

### (1) Compliance Committee

Chaired by JICS' president, the Compliance Committee is responsible for strengthening compliance, responding to any case of a breach of compliance, and examining measures for preventing the recurrence of such cases.

### (2) Compliance and Risk Management Office

This office takes steps for enhancing compliance in JICS' organizations and analyzes risks throughout these organizations in order to improve risk management.

### (3) Audits by auditors, accounting auditor and tax accountants

Auditors are responsible for auditing the performance of duties by the Board of Directors and executive directors, while the accounting auditor and tax accountants are consigned to conduct external audits of financial and accounting records. In addition to checking financial statements and confirming whether internal controls are in place and being followed, the accounting auditor also inspects bank accounts (in which funds for aid have been deposited) being administered by JICS on behalf of governments of countries receiving assistance as part of its procurement agent services.

### (4) Audit Office

The Audit Office is responsible for internal auditing under the direct supervision of the president. From its standpoint as an independent body, the office conducts audits to determine whether operations are carried out appropriately and efficiently, and reports the results to the president.

### (5) Internal reporting system

JICS has established an internal reporting system for the purpose of preventing violations of laws or regulations, and for dealing with any such violations that occur. The system provides contact points for reporting information, including a reporting line and access to auditors, legal advisors, and lawyers from outside JICS.

### (6) Whistleblower system for reporting irregularities concerning tender or other matters

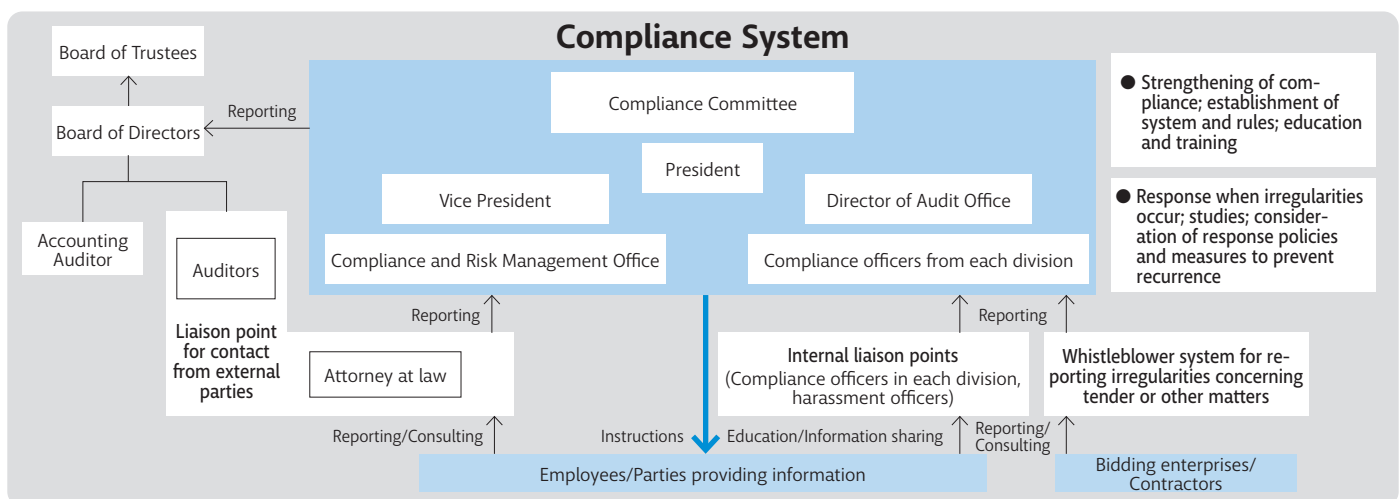
JICS has established a whistleblower system for the purpose of ensuring that procurement procedures, including those involving tender executed by JICS, are conducted impartially, and that contracts made with other parties are properly executed.

### (7) JICS Code of Conduct

We conduct ourselves in accordance with the following 10 standards as organizational principles.

- ① Behaving in accordance with our responsibilities as a public service corporation
- ② Providing high-quality services
- ③ Strictly observing laws and rules
- ④ Exercising due consideration for local conditions
- ⑤ Practicing information disclosure
- ⑥ Managing information appropriately
- ⑦ Respecting human rights
- ⑧ Acting resolutely in response to anti-social groups
- ⑨ Working to protect the environment
- ⑩ Creating a safe and satisfying workplace environment

JICS has set up the following system for promoting compliance.



## 3. Measures for Protecting Personal Information

JICS recognizes that it has a social responsibility to handle personal information in an appropriate manner. Accordingly, it has established a basic policy on personal information protection along with related rules. In recognition of these measures, JICS received accreditation under the PrivacyMark system in Japan on June 17, 2011. (The accreditation was renewed for the fifth time on June 17, 2019.)



JICS is certified as an entity authorized to use the "PrivacyMark" logo, and is subject to laws in Japan.



Education on protecting personal information ↑

**● Name of Organization:**

Japan International Cooperation System (JICS)

**● Head Office:**

5th Floor, Harumi Center Building, 5-24, Harumi 2-chome, Chuo-ku, Tokyo 104-0053, Japan

**● Main Contact Information and Website:**

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URL: [https://www.jics.or.jp/jics\\_html-e/index.php](https://www.jics.or.jp/jics_html-e/index.php)

**● President:**

Toru Kubo

**● Date of Establishment:**

April 12, 1989

**● Endowment:**

¥387 million

**● Number of Employees:**

147 (as of August 1, 2019)

**● Purpose:**

With the aim of contributing to peace and stability in the international community, JICS' purpose is to carry out procurement and management operations related to international cooperation programs.

**● Businesses:**

1. Procurement services in the field of international cooperation business
2. Management services in the field of international cooperation business
3. Consultancy services in the field of international cooperation business
4. Research and studies in the field of international cooperation business
5. Design and supervision of architecture and civil engineering work concerning international cooperation
6. Support to NGOs, etc., relating to international cooperation activities
7. Dissemination and enlightenment of knowledge concerning international cooperation activities
8. Other businesses necessary to achieve the purpose of the Foundation

**● Licensed Business Category:**

First Class Registered Architects Office, Tokyo Metropolitan Governor License No. 59804

**● Acquired Certifications, etc.:**

PrivacyMark

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