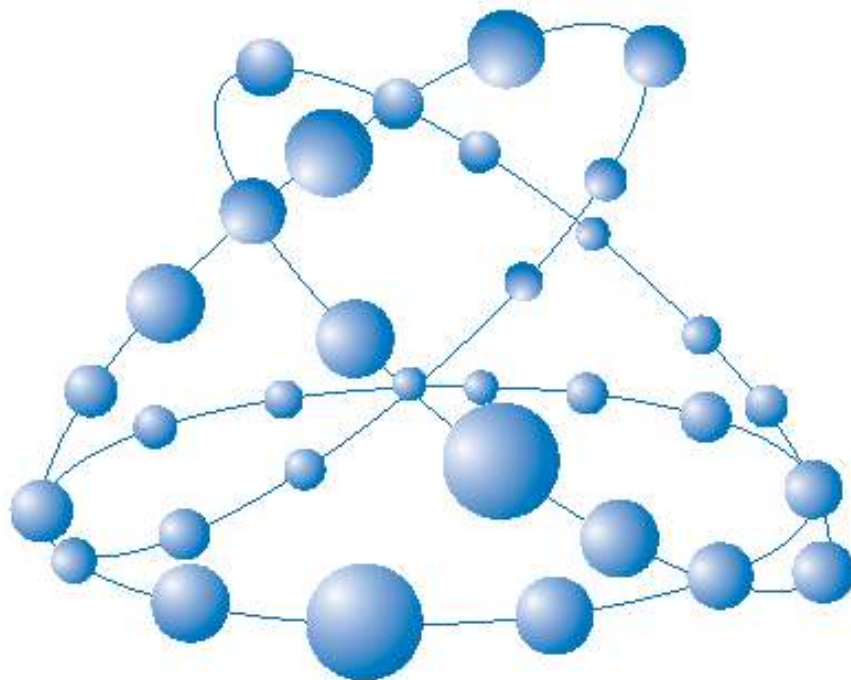


ODA Manifesto

By the Group for Renovating Japanese ODA

—**30** Proposals for Enhanced International Cooperation—

October 2007



CONTENTS

IN PREPARING THE MANIFESTO	i
OVERVIEW OF THE “30 PROPOSALS”	iii
FOREWORD	ix
1. Clarify the vision and strategies	1
2. Satisfy the needs of developing countries and strengthen the field-level functions of ODA implementation	3
3. Lead the global development trends	5
4. Promote the understanding and participation of citizens	7
5. Restructure and strengthen the system for ODA policy implementation	9
6. Reform and improve the administrative systems and procedures	11
7. Increase the ODA budget and reform its funding mechanisms	13
8. Develop international cooperation-related career paths and improve the human resources development system	15
9. Enhance collaboration with the private sector and form public-private alliances	17
10. Clarify the vision and sharpen the focus of Japan’s aid to Africa	19
MANIFESTO AT A GLANCE	

IN PREPARING THE MANIFESTO

We are a group of professionals who gathered voluntarily in a personal capacity, sharing a sense of crisis in the current state of Japan's Official Development Assistance (ODA). Brought together by our deep concern, we met almost spontaneously and intensively discussed how to renovate Japan's ODA in the immediate future. We are a multi-stakeholder group of professionals from diverse backgrounds, including politics, media, business, NGOs, academia, government, and aid implementing agencies; we all have long practiced or observed Japanese ODA in the field or as citizens. We have frankly discussed what is wrong with the Japanese ODA, what should be improved, and what actions should be taken with a common awareness of the issue.

The group met twelve times between July 2006 and October 2007, and on the basis of the discussions, we formulated a set of specific policy proposals (this Manifesto). We now wish to present this Manifesto to many citizens interested in ODA, as well as related parties in the legislative and executive branches of the Government, and act to renovate Japan's ODA.

This Manifesto summarizes the majority of opinions (the most commonly expressed opinions) of the participants on the issues raised by representatives of aid stakeholders in the meetings. A total of more than 120 members (17 from the political circle, 11 from the media, 5 from the business circle, 13 from NGOs, 14 academics, 28 from government ministries, and 37 from implementing agencies) have taken part in the discussions. The participants actively presented their views irrespective of their affiliated organizations, which included the Ministry of Foreign Affairs; the Ministry of Economy, Trade and Industry; the Ministry of Finance; the Cabinet Secretariat; the Japan International Cooperation Agency (JICA); the Japan Bank for International Cooperation (JBIC); and international organizations. The views of the participants have been consolidated by a manifesto compilation team (see page 21-22 for the list of aid stakeholder representatives who raised issues and/or contributed to manifesto compilation). Nevertheless, we would like to note that all the opinions expressed by the participants were purely personal and that they do not represent the official views of their affiliated organizations.

The process of the discussions has been publicized periodically in Japanese on the group's website at (http://www.grips.ac.jp/forum/oda_salon/), as well as in the mailing list of "devforum" (distributed by the Washington DC Development Forum, with the membership of about 900 professionals in Japan, developing countries, and international organizations). The comments and suggestions raised during this process have been included where appropriate. Moreover, discussion meetings were held with NGO members who have been involved in the formulation of a citizens' manifesto.

In the following, we present 30 specific proposals for renovating Japan's ODA.

OVERVIEW OF THE “30 PROPOSALS”

1 Clarify the Vision and Strategies

Proposal 1 The Diet shall discuss the basic strategies and the ODA budget and set up a special committee (in both chambers of the Diet) to this end.

Proposal 2 The Overseas Economic Cooperation Council (set up in the Cabinet Secretariat and charged with ODA strategy) shall establish an “International Cooperation Strategy Committee,” with members from the public and private sectors, as its advisory body.

Proposal 3 The Overseas Economic Cooperation Council shall develop a framework of country/region-specific assistance strategies, strategies for priority issues and multilateral assistance strategies, etc. based thoroughly on “selection and concentration,” and guide the Ministry of Foreign Affairs in drawing up the required policies.

2 Satisfy the Needs of Developing Countries and Strengthen the Field-level Functions of ODA Implementation

Proposal 4 The Ministry of Foreign Affairs shall clearly define the role of the country-based ODA Task Forces to accelerate the field-level decision making and strengthen their functions with multi-stakeholder participation.

Proposal 5 The new JICA shall serve as the secretariat of the country-based ODA Task Forces and lead their activities.

3 Lead the Global Development Trends

Proposal 6 The Overseas Economic Cooperation Council shall clearly define the basic strategies for multilateral assistance, and the Government and the new JICA shall actively participate in the formulation process of international development strategies, currently led by international organizations.

Proposal 7 Create a globally open “International Cooperation Strategy Think Tank” to formulate policy proposals and conduct research and dissemination activities to contribute to both national and assistance strategies.

Proposal 8 The Government shall establish “aid for graduation” as a basic message of Japan's ODA and disseminate this message within Japan and abroad. This refers to the support to self-help efforts which Japan has been practicing in Asia.

4 Promote the Understanding and Participation of Citizens

Proposal 9 The Government shall renovate the public relations activities for ODA. Use the phrase “international cooperation” instead of the acronym “ODA” and feature Japanese professionals (from businesses, universities, NGOs, etc.) actively engaged in the field activities with the people of developing countries instead of featuring the Government or implementing agencies.

Proposal 10 The Government and the new JICA shall collaborate with civil society to disseminate information on international cooperation.

Proposal 11 Under the guidance of the Overseas Economic Cooperation Council, the Government and the new JICA shall disseminate messages tailored to all segments of Japanese society via appropriate media.

5 Restructure and Strengthen the System for ODA Policy Implementation

Proposal 12 The Ministry of Foreign Affairs, guided by the strategies set up by the Overseas Economic Cooperation Council, shall develop country/region-specific assistance policies and policies for priority issues, and decide country-specific aid allocations.

Proposal 13 The new JICA, guided by the above policies and country-specific aid allocations, shall execute all the activities—from the development of the cooperation programs to their implementation—in a holistic manner.

Proposal 14 The Government and the new JICA shall restructure the ODA activities from the scheme-based budget to an issue-specific budget.

6 Reform and Improve the Administrative Systems and Procedures

Proposal 15 The Government and the new JICA shall consolidate the fragmented aid schemes and simplify cumbersome procedures.

Proposal 16 The Government shall make international agreements on ODA projects more comprehensive by aggregating individual projects.

Proposal 17 The Government shall increase flexibility of the cooperation period, eliminate problems caused by the single-year budgeting system, and the new JICA shall drastically revise its procurement procedures in order to achieve results-oriented, speedy assistance.

7 Increase the ODA Budget and Reform its Funding Mechanisms

Proposal 18 Increase the ODA budget to a level commensurate with that of national income and keep international commitments.

Proposal 19 Increase the general account ODA budget for grants and examine measures to secure new financial resources (e.g., allocating 1 percent of the international aviation tax or the consumption tax for ODA).

Proposal 20 Earmark sums of the ODA budget specifically for environmental conservation and for African development.

8 Develop International Cooperation-related Career Paths and Improve the Human Resources Development System

Proposal 21 Establish a “Human Resources Development Center” for international cooperation. Register human resources, establish a network with national agencies and international organizations, and work collaboratively with educational organizations and others.

Proposal 22 Expand the employment opportunities in workplaces such as international organizations, the Ministry of Foreign Affairs, the new JICA, universities, businesses, and NGOs, to establish career paths for international cooperation. At the same time, increase the mobility of human resources across organizations.

9 Enhance Collaboration with the Private Sector and Form Public-private Alliances

Proposal 23 The Overseas Economic Cooperation Council shall include representatives of private businesses and NGOs in its advisory body, the “International Cooperation Strategy Committee.”

Proposal 24 Establish a “Multi-stakeholder Forum for ODA Implementation” to enhance the collaboration of the Government, the implementing agencies, businesses, NGOs, universities, etc. to promote international cooperation.

Proposal 25 The Ministry of Foreign Affairs and the new JICA shall establish an information-sharing network among the country-based ODA Task Forces, business, NGOs, researchers, etc.

Proposal 26 The Government and the new JICA shall promote public-private partnerships (PPPs) and design special facilities to effectively mobilize funds and know-how from the private sector.

**10 Clarify the Vision
and Sharpen the
Focus of Japan’s Aid
to Africa**

Proposal 27 The Government shall reform the budget and funding systems and expand the ODA volume for Africa in 2008 and beyond, especially in grants.

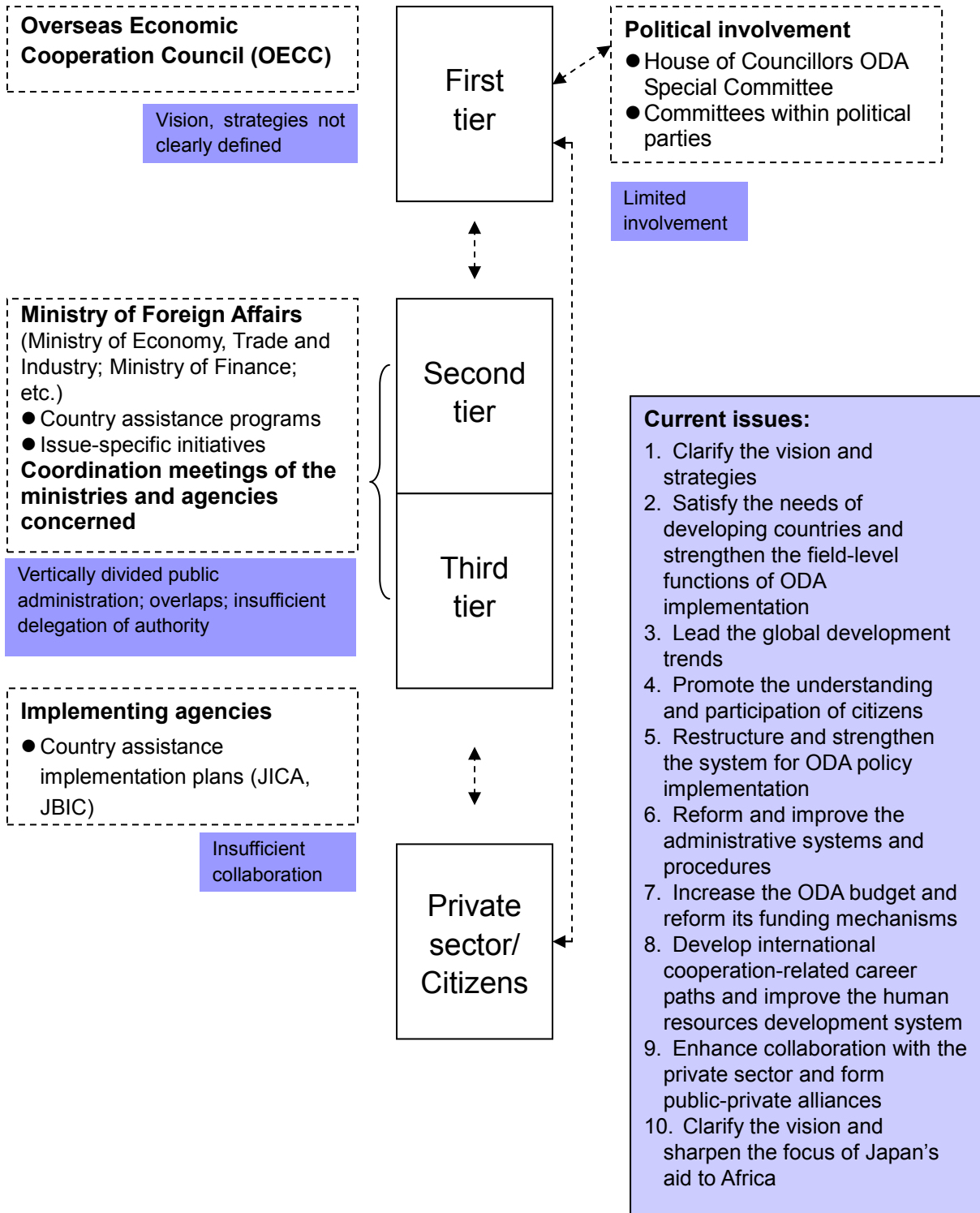
Proposal 28 Establish a committee to specialize in supporting Africa within the “Multi-stakeholder Forum for ODA Implementation.”

Proposal 29 The Government and the new JICA shall select model countries to embody the “aid for graduation” message and allocate additional aid to them. Human and financial resources should be concentrated on the model countries.

Proposal 30 The Government and the new JICA shall design special facilities for Africa to mitigate risks and promote private sector investment.

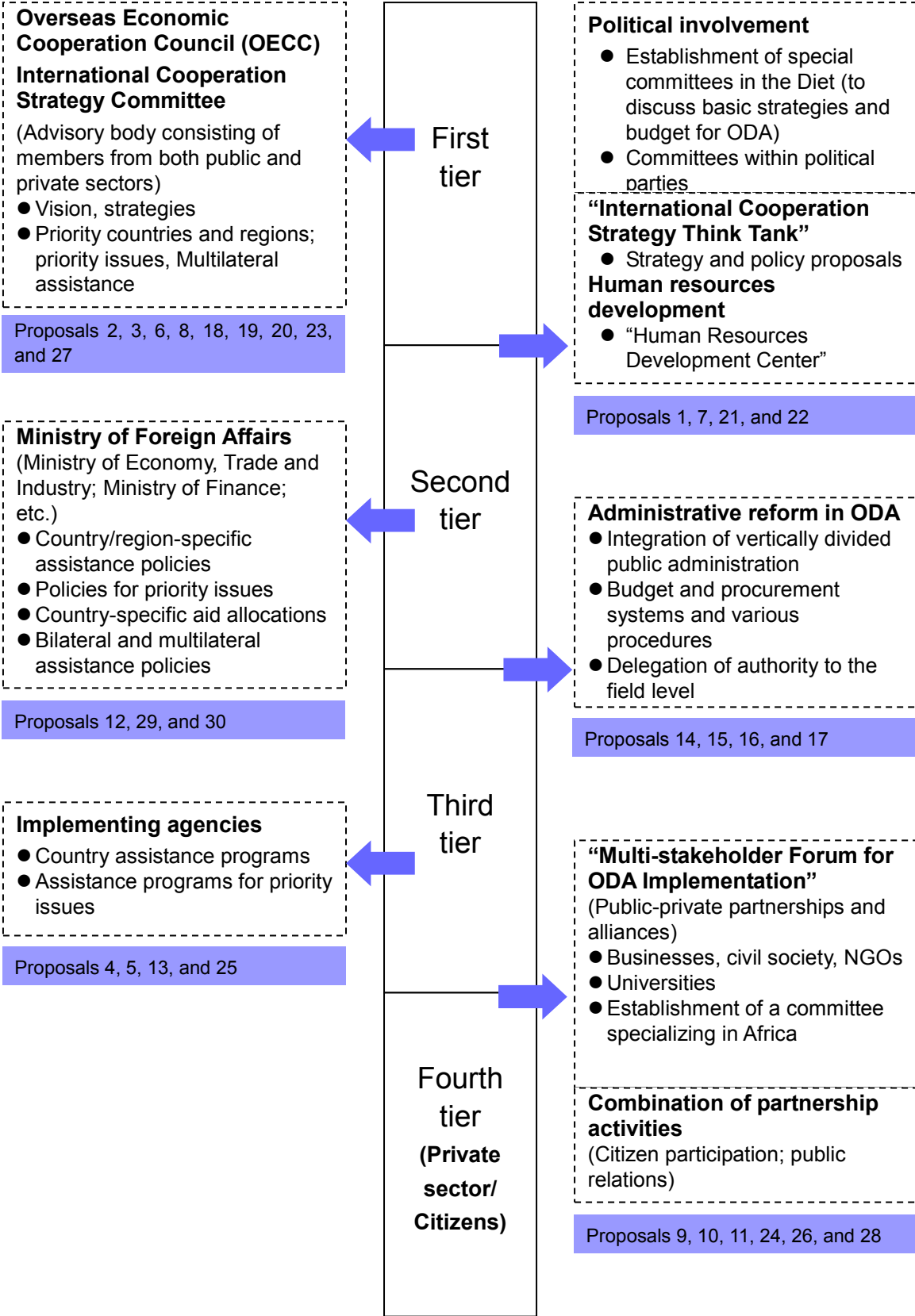
CURRENT JAPANESE ODA

Three-tier structure for policy formulation and implementation



NEW JAPANESE ODA

Four-tier international cooperation with multi-stakeholder participation



FOREWORD

Japan's ODA is currently standing on the "edge of a cliff."

In sharp contrast to the massive increase in ODA by major donor countries, such as the US and European countries, following the September 11 terrorist attacks in 2001, Japanese ODA has suffered from drastic cuts. Consequently, Japan, which was the world's largest ODA donor in the 1990s, ceded its top position to the US in 2001 and dropped to third, losing second position to the UK in 2006. Moreover, Japan is likely to soon fall behind Germany and France if no measures are taken to increase the ODA budget, making it difficult to keep the international commitment that Japan made at the 2005 G8 Gleneagles Summit held in the UK. Moreover, Japan's international presence is rapidly fading, as China and other emerging donors are enhancing their diplomatic efforts to secure energy and natural resources all over the world, including in Africa.

Domestically, as Japan's fiscal situation has worsened, the ODA budget has decreased by almost 40% over the past decade, which stands out compared to the 20% decrease in public works expenditure. These days, many people associate international contributions with the Self-Defense Forces rather than ODA. The mass media has lost interest in the issue and ODA is rarely the focus of domestic political debate.

Under these circumstances, the unexpected decision was taken to fundamentally review the ODA implementation system. This decision was prompted by the restructuring of public financial institutions. The Overseas Economic Cooperation Council (OECC), comprising five ministers including the Prime Minister, has been set up to enhance the strategic planning capabilities of the Government. In addition, the merger of the ODA loan operations of the Japan Bank for International Cooperation (JBIC; formerly the Overseas Economic Cooperation Fund [OECF]) and the Japan International Cooperation Agency (JICA) is scheduled for 2008. This year, Japan will also host the fourth Tokyo International Conference on African Development (TICAD IV) and the G8 Summit held at Toya Lake, where the development of Africa, poverty reduction in developing countries, and issues concerning environmental and climate changes will be discussed. Thus, the year 2008 represents a golden opportunity to renovate Japan's ODA and demonstrate its new commitment to enhance aid effectiveness, both domestically and internationally.

The “Review Committee on Overseas Economic Cooperation” (an advisory body to then Chief Cabinet Secretary Abe) submitted its final report in 2006. However, the committee did not discuss the basic strategies and direction of ODA or review thoroughly the implementation system and management methods, partly because the discussion was focused on how to deal with public financial institutions. As 2008 is a pivotal “year for development” for Japan, it is increasingly necessary to stimulate discussions on ODA with the participation of various segments of Japanese society.

We, as a voluntary multi-stakeholder group, wish to take this opportunity to present our proposals, based on discussions held since July 2006, and take action to realize them as the framework for Japan’s ODA is being renewed. Japan was the first non-Western nation to succeed in catching up with the developed countries. As a donor country, Japan worked closely with other East Asian countries through the self-help efforts that enabled them to graduate from aid. We believe that Japan can make unique contributions to international development, based on its own aid and development experiences in East Asia. The results of these contributions should be beneficial not only for today’s developing countries but also for Japan itself.

1 Clarify the Vision and Strategies

Proposal 1 The Diet shall discuss the basic strategies and the ODA budget and set up a special committee (in both chambers of the Diet) to this end.

Proposal 2 The Overseas Economic Cooperation Council (set up in the Cabinet Secretariat and charged with ODA strategy) shall establish an “International Cooperation Strategy Committee,” with members from the public and private sectors, as its advisory body.

Proposal 3 The Overseas Economic Cooperation Council shall develop a framework of country/region-specific assistance strategies, strategies for priority issues and multilateral assistance strategies, etc. based thoroughly on “selection and concentration,” and guide the Ministry of Foreign Affairs in drawing up the required policies.

Is ODA a means to implement a policy or the policy itself? There tend to be conflicts and confusions concerning the two when the vision and strategies of ODA are discussed. Moreover, the above discussion frequently sees the dichotomy between “national interest” and “humanitarianism” in a narrower sense and treats the two exclusively, which further complicates efforts to foster a national consensus. In addition, the present ODA is criticized as lacking a sharp focus and prioritization in terms of selecting partner countries and sectors.

We consider it necessary to clarify and affirm the dual roles of ODA—one for contributing to a “national strategy” and the other for serving as an “assistance strategy.” The former responds to the question, “For what do we conduct ODA?” and the latter to “How do we conduct ODA?” In other words, in the case of the former, ODA is viewed as part of Japan’s foreign policy (UN peacekeeping operations, export promotion, economic partnerships, cultural exchanges, etc.), while in the case of the latter, ODA is viewed as a strategy for providing development assistance to satisfy the needs of developing countries.

If viewed as a national strategy, ODA should serve as infrastructure for promoting foreign diplomacy. In this context, ODA has dual purposes, namely to seek the “national interest” in protecting the lives of Japanese citizens (resources, energy, food, security, trade/investment, UN voting rights, etc.) and to seek the “global interest,” which involves realizing the spirit of the preamble to the Constitution of Japan (a world free of war, disaster, poverty, and disease). We should not choose one or the other of the above two purposes; ODA policies should be determined based on a combination of national and global interests. We believe that prioritization in partner countries/regions and sectors/issues, and moreover the volume of assistance (including the proportion of multilateral and bilateral assistance), should be determined through the policy-making process. For example, the ODA to Country

A in a bilateral assistance program should be determined by taking account of the bilateral relationship between Japan and Country A (national interest) and the degree of poverty in Country A (global interest). As for multilateral assistance, it is important to determine the aid allocation after reviewing the causes to which Japan wishes to contribute through the international system, including efforts to seek the “global interest,” and how to work with international organizations in order to realize the above.

If viewed as an “assistance strategy,” ODA should definitely contribute to the development of developing countries, and we consider it necessary to combine support for “growth promotion” and “poverty reduction.” Furthermore, it is necessary to decide the approaches and priority sectors/issues, including environmental conservation and peace building, according to the needs of partner countries.

With this in mind, how can we establish a system that clearly defines the vision and the dual roles of ODA as a “national strategy” and an “assistance strategy”? We suggest that the Overseas Economic Cooperation Council (OECC), charged with strategic planning, initially develop the basic strategies and that the Diet, the highest body of state power that represents the will of the Japanese people, discuss them. In order for the OECC to function fully, an advisory council must be set up, consisting of members from the public and private sectors, with the responsibility for collecting the opinions of experts from various segments of Japanese society and providing advice to the OECC. It is also necessary to set up a special committee in the Diet so as to increase political involvement in ODA policy-making.

2 Satisfy the Needs of Developing Countries and Strengthen the Field-level Functions of ODA Implementation

Proposal 4 The Ministry of Foreign Affairs shall clearly define the role of the country-based ODA Task Forces to accelerate the field-level decision making and strengthen their functions with multi-stakeholder participation.

Proposal 5 The new JICA shall serve as the secretariat of the country-based ODA Task Forces and lead their activities.

As far as ODA is concerned, it should contribute to the “national strategy” by satisfying the development needs of developing countries and not by seeking solely national interest at the expense of the developmental purpose. In that sense, it is critically important to build a system to properly identify the needs of developing countries and provide timely and effective assistance. It is for this particular reason that the country-based ODA Task Forces have been set up, primarily with members of the Embassy of Japan and the implementing agencies. In reality, however, the ODA Task Forces do not always function fully. The field-level implementation system and human resources are not sufficient because they suffer from shortages of qualified professionals who perform aid work as a career. For this reason, the activities of the ODA Task Forces tend to be influenced by personal factors. In addition, the roles of the Government and the implementing agencies are not clearly defined, and the delegation of authority from Tokyo to the field offices has been limited, with the latter serving merely as a liaison of the former.

It is also important to examine how partner countries evaluate Japan’s ODA. In fact, they often report a lack of flexibility, slow response, and excessive amounts of required paperwork. There is an urgent need for Japan to put the interests of the government and the citizens of the developing country first in implementing assistance.

We consider it necessary to establish a system that facilitates collecting genuine views and sufficient information from partner countries, and making good use of them. It is also necessary to strengthen the field-level functions so as to facilitate dialogues with various stakeholders and enhance cooperation and collaboration with other partners. Achieving the above critically depends on improving the system for supporting the Japanese aid professionals working in the field and delegating the decision-making authority to them on daily operations. In order for the ODA Task Forces to function as a multi-stakeholder group, it is necessary to place the right person in the right place, irrespective of his/her affiliation (e.g., the embassy or implementing agencies), build an open network with the private sector, and establish a system capable of properly identifying the needs of the partner

countries and making timely decisions at the field level. Under such a system, the ODA Task Forces should actively participate in the formulation of country assistance programs to be led by the new JICA and share a wide variety of information and expertise among them.

3 Lead the Global Development Trends

Proposal 6 The Overseas Economic Cooperation Council shall clearly define the basic strategies for multilateral assistance, and the Government and the new JICA shall actively participate in the formulation process of international development strategies, currently led by international organizations.

Proposal 7 Create a globally open “International Cooperation Strategy Think Tank” to formulate policy proposals and conduct research and dissemination activities to contribute to both national and assistance strategies.

Proposal 8 The Government shall establish “aid for graduation” as a basic message of Japan’s ODA and disseminate this message within Japan and abroad. This refers to the support to self-help efforts which Japan has been practicing in Asia.

Japan’s assistance in East Asia has played a catalytic role in promoting trade and investment activities in the private sector and contributed to realizing the “East Asian miracle.” By using various schemes of assistance (loan aid, grant aid, technical cooperation) and taking field-oriented, bottom-up approaches, Japan has supported the development of infrastructure and human resources, promoted public-private collaboration in East Asian countries, and helped their eventual graduation from aid. The above successful experience, however, has not necessarily been organized and systematized into a form that can be easily used by developing countries and the international community. Besides, Japan has missed a number of opportunities to effectively disseminate the information on its own experiences to the international community, due to its passive attitudes toward leading and influencing global development trends. Japan also lacks a clearly defined strategy for utilizing multilateral assistance through its financial contributions to international organizations. Resultantly, it has had very limited involvement in the formulation process of international development strategies of international organizations.

Japan should present the vision it has fostered through its aid and development experiences as a universal value to the international community and declare, both domestically and internationally, that Japan will help realize the above vision in developing countries. Moreover, for Japan to effectively assist developing countries by using its comparative advantages, it is essential to systematize and theorize the accumulated experiences and expertise, and to widely disseminate and mainstream them into global development trends. There is an urgent need not only to improve the research capability of the new JICA, but also to create an “International Cooperation Strategy Think Tank” comprising professionals representing various stakeholders. It is necessary to build a network that connects developing countries, Japan, and the centers of the international aid

community, while increasing Japan's involvement in shaping global development trends and the policies of international organizations. The "International Cooperation Strategy Think Tank" should also assume a role in stimulating domestic discussions on ODA as a national strategy. As such, it should be an organization independent from the Government, like the Overseas Development Institute (ODI) in the UK and the Center for Global Development (CGD) in the US.

We believe that the "Japanese approach to assistance" does not conflict with the "needs of developing countries" and "global best practices." Rather, we should work to ensure that Japan's "home-grown knowledge" and the above needs and practices can be mutually reinforcing.

Furthermore, we would like to establish "aid for graduation" as a basic message of Japan's ODA. This phrase is the contemporary definition of the support for self-help efforts aimed at self-reliance that Japan has been practicing in Asia. The phrase "aid for graduation" is used to reconfirm the basic stance that the aid should be given in order to eventually terminate it. At the same time, the phrase implies an assistance strategy involving the support to growth promotion, accompanied by supplementary measures to address issues arising in the growth process (environmental issues, widening disparities, etc.). It is expected that the new "International Cooperation Strategy Think Tank" will assume responsibility for theorizing and systematizing a "Japanese approach to assistance" and disseminating it globally through open and intellectual dialogues.

4 Promote the Understanding and Participation of Citizens

Proposal 9 The Government shall renovate the public relations activities for ODA. Use the phrase “international cooperation” instead of the acronym “ODA” and feature Japanese professionals (from businesses, universities, NGOs, etc.) actively engaged in the field activities with the people of developing countries instead of featuring the Government or implementing agencies.

Proposal 10 The Government and the new JICA shall collaborate with civil society to disseminate information on international cooperation.

Proposal 11 Under the guidance of the Overseas Economic Cooperation Council, the Government and the new JICA shall disseminate messages tailored to all segments of Japanese society via appropriate media.

We need to face the reality that without the understanding and participation of citizens (taxpayers), ODA cannot be sustained. The recent sharp decrease in the ODA budget is also not completely unrelated to the citizens’ awareness. The results of domestic public opinion surveys show that Japan’s ODA continues to suffer from negative images such as “opaqueness,” “inefficiency,” and “the recipient countries not being thankful,” and many Japanese wonder “why do we offer assistance under the current severe domestic economic conditions?” This is partly because the public is not sufficiently familiar with the true state of Japanese ODA and partly because the Government has not made enough effort to appeal to them. The size of the budget allocated to the Government’s public relations activities for ODA has been very small, and the Government has lacked a public relations strategy including target groups and messages to be conveyed. On the other hand, the mass media continues to send negative and fragmented reports to the public.

It is generally believed that “ODA does not win votes.” However, this view contributes to a vicious circle in which citizens’ limited interest leads to a lack of political initiative and an absence of strategic vision for ODA.

We should do away with the conventional “public relations activities for ODA.” The acronym “ODA” is merely an accounting or statistical term and is not suitable for appealing to the public for the challenges of development and poverty faced by developing countries. Moreover, we consider it necessary to conduct public relations activities that give greater attention to Japanese citizens (businesses, universities, NGOs, etc.) and the people of developing countries than to the Ministry of Foreign Affairs and the implementing agencies themselves. It is also necessary to access local media and increase the messages to be

sent out from the fields of developing countries.

Recently, civil society actors (including businesses, NGOs, and celebrities) have made enhanced efforts to send out positive messages on international cooperation. It is also important for the Government and the new JICA to work collaboratively with civil society in conveying these messages.

Furthermore, it is necessary to carefully craft public relations strategies for international cooperation in order to convert from defensive to offensive activities. This means creating messages that clearly explain “what ODA is for” and disseminating them through appropriate media to suit the interests of various segments of Japanese society. In doing so, we should select topics familiar to the targeted groups. For those who highly value the “national interest,” it is important to explain how the daily life of the Japanese is affected by the situations in developing countries and what changes development and environmental cooperation might bring. For those who value the “global interest,” it is important to explain how Japan can contribute and has contributed to alleviating poverty in developing countries. To appeal to Japanese citizens in general, we should explain, in an easy-to-understand manner, how the citizens of developing countries and those of Japan are connected through international cooperation. To this end, we need to devise ways to include “human factors” and “story-like plots,” like those found in the documentary TV show *Project X*.

5 Restructure and Strengthen the System for ODA Policy Implementation

Proposal 12 The Ministry of Foreign Affairs, guided by the strategies set up by the Overseas Economic Cooperation Council, shall develop country/region-specific assistance policies and policies for priority issues, and decide country-specific aid allocations.

Proposal 13 The new JICA, guided by the above policies and country-specific aid allocations, shall execute all the activities—from the development of the cooperation programs to their implementation—in a holistic manner.

Proposal 14 The Government and the new JICA shall restructure the ODA activities from the scheme-based budget to an issue-specific budget.

It is expected that by October 2008, a three-tier structure of the ODA policy implementation system will be established, comprising the Overseas Economic Cooperation Council (OECC), the Ministry of Foreign Affairs, and the new JICA. However, their respective roles have not been clearly defined to date. While the OECC assumes strategic planning for ODA where basic policies and strategies are discussed, its current membership is limited to five cabinet ministers, and the agenda setting and the details of the discussion remain undisclosed, limiting its ability to transmit messages widely to the public. Moreover, although the establishment of the new JICA is expected to diminish the current problems caused by fragmented aid administration, problems continue to exist in that the work of the Ministry of Foreign Affairs often overlaps with that of the new JICA. Besides, the activities of the private sector (businesses, universities, NGOs, etc.) working on the frontline of aid operations are not being made visible, which consequently prevents ODA from developing into “international cooperation” inclusive of the private sector.

We propose that the new implementation system should not function as a “three-tier” system centering on ODA. The system must be restructured as a “four-tier” structure inclusive of businesses, universities, NGOs, local governments, and citizens, based on the idea of international cooperation. While the ODA reform to date has been concerned mainly with the reform of the second and third tiers, it is critical to work with the first and fourth tiers in order to enhance the strategic planning capability and promote the participation of citizens.

The main role of the OECC should be to determine the strategic framework of ODA, including the size of the overall budget, priority countries and regions, priority issues, and the role of multilateral assistance, from the viewpoint of national strategy. The main roles of

the Ministry of Foreign Affairs should be to develop assistance policies for specific countries and for priority issues and to coordinate and decide the country-specific aid allocations (ceilings for the totals of loan aid, grant aid, and technical cooperation) as well as bilateral and multilateral assistance policies. Moreover, the new JICA, as a comprehensive development aid agency, should contribute its knowledge to the formulation of assistance strategies and, guided by the above policies and the budget ceiling, execute the ODA activities—ranging from the development to the implementation of the cooperation programs—in a holistic manner.

6 Reform and Improve the Administrative Systems and Procedures

Proposal 15 The Government and the new JICA shall consolidate the fragmented aid schemes and simplify cumbersome procedures.

Proposal 16 The Government shall make international agreements on ODA projects more comprehensive by aggregating individual projects.

Proposal 17 The Government shall increase flexibility of the cooperation period, eliminate problems caused by the single-year budgeting system, and the new JICA shall drastically revise its procurement procedures in order to achieve results-oriented, speedy assistance.

Japanese ODA activities have been organized by various schemes (categorized into loan aid, grant aid, and technical cooperation) under a vertically divided, fragmented administrative system (with the involvement of 13 ministries and agencies). The complex system and the cumbersome procedures exert a considerable burden upon developing countries and the Japanese professionals concerned. For example, grant aid cooperation has been divided into several sub-schemes, including general project grant aid, non-project grant aid, fisheries grant aid, grassroots grant aid, human security grant aid, and Japanese NGO support grant aid. The rigidity in budget and operational procedures hinders the flexible and effective implementation of assistance. Moreover, many of the procurement procedures are modeled after public works projects in Japan and required to adhere to the single-year budgeting system. These make ODA projects in developing countries highly risky and less appealing to consultants and private businesses because the work conditions in developing countries are more difficult than in Japan. Moreover, because of lengthy internal review processes, excessive time is required before project implementation, with the result that it takes as long as seven years between the planning and implementation of an ODA loan project.

If the new JICA is to manage the three aid schemes—namely, loan aid, grant aid, and technical cooperation—in a holistic manner, it must eliminate the boundaries among these schemes. The three schemes should be flexibly combined to respond to the problems of developing countries, and the schemes should not be defended as rightfully existing “just because they exist.” Both the budget system and procurement procedures must be made more flexible, and fragmented sub-schemes must be consolidated and simplified. Moreover, there is a need to increase the efficiency of the signing of an Exchange of Note (an international agreement on ODA projects), by making these agreements themselves more comprehensive, shifting away from the current approach of signing project-specific agreements.

Furthermore, it is necessary to drastically reform budget systems and various procedures that currently hinder the smooth and speedy implementation of ODA. In particular, the problems caused by the single-year budgeting system should be addressed in the immediate future.

7 Increase the ODA Budget and Reform its Funding Mechanisms

Proposal 18 Increase the ODA budget to a level commensurate with that of national income and keep international commitments.

Proposal 19 Increase the general account ODA budget for grants and examine measures to secure new financial resources (e.g., allocating 1 percent of the international aviation tax or the consumption tax for ODA).

Proposal 20 Earmark sums of the ODA budget specifically for environmental conservation and for African development.

Over the past decade, the Japanese ODA budget has continuously declined. If this trend continues, Japan will soon fall to fifth place among the advanced countries in terms of ODA volume (net disbursements). Moreover, the ODA budget for fiscal 2007 was 38% lower than that for fiscal 1997. During the same period, 59 of the 142 recipient countries experienced the reduction of grant aid by more than 50%. The level of contributions to international organizations also decreased significantly, with Japan falling from first to sixth place among the contributors to the United Nations Development Programme (UNDP), first to fifth for the United Nations Population Fund (UNFPA), and second to fourth for the United Nations High Commissioner for Refugees (UNHCR).

If the above trend persists, there is a possibility that Japan may not achieve the US\$10 billion increase in ODA and the doubling of aid to Africa committed by the Japanese Government at the 2005 G8 Summit. Japan must keep its international commitments at all costs as a responsible member of the international community.

We believe Japan should not decrease the ODA budget any further, considering Japan's position as the world's second largest economic power, a country with scarce natural resources, a trading nation, a country enjoying material abundance that depends on developing countries, and a country vulnerable to the impacts of global warming and other environmental issues. There is no doubt that the key in the first place is to strive continuously to improve the quality and further enhance the strategic orientation of ODA, learning from the hard lessons of past failures and inefficient implementation of projects, and paying due attention to accountability to citizens and aid effectiveness. However, at the same time, it is essential to secure the absolute amount of ODA in order to firmly maintain Japan's presence in the international community. Realizing an ODA level commensurate with the level of Japan's national income is vitally important, not only for developing countries but also for Japan. To this end, it is necessary to stop further cuts in the general account ODA budget and immediately examine the possibility of introducing new funding

mechanisms.

Moreover, while some of the East Asian countries are graduating from ODA loans, the demand for highly concessional funds is likely to increase in order to support environmental conservation and African development. Therefore, it is necessary to establish a system for increasing funding for the Japanese ODA budget, especially in grants, from a medium- to long-term perspective. In 2008, Japan will host the G8 Summit and the Fourth Tokyo International Conference for African Development (TICAD IV), where the international community will discuss its response to climate change, environmental issues, and African development. We believe that Japan's determination to increase the ODA budget in 2008 and its active engagement in these events will give a strong message to the international community.

8 Develop International Cooperation-related Career Paths and Improve the Human Resources Development System

Proposal 21 Establish a “Human Resources Development Center” for international cooperation. Register human resources, establish a network with national agencies and international organizations, and work collaboratively with educational organizations and others.

Proposal 22 Expand the employment opportunities in workplaces such as international organizations, the Ministry of Foreign Affairs, the new JICA, universities, businesses, and NGOs, to establish career paths for international cooperation. At the same time, increase the mobility of human resources across organizations.

One of the major weaknesses of Japan’s international cooperation is the scarcity of professional human resources, despite the fact that there are limited job opportunities for those who have gained certain experiences in international cooperation. Not only is the number of Japanese people working in international organizations limited, but there is a serious shortage of human resources with professional expertise in international cooperation. Those who have working experience in the fields are not properly evaluated and utilized, and such human resources have not been sufficiently accumulated. Even if a human resources system is developed, qualified personnel will move elsewhere if there are no job opportunities where they can effectively utilize their expertise. In other words, career paths for international cooperation are yet to be established, and the budget and institutional arrangements for developing professional human resources, from a long-term perspective, are insufficient. As a result, Japan continues to lose international competitiveness and suffer from a low profile in ODA activities.

To enhance the quantity and quality of human resources for international cooperation, it is necessary to link the two systems of employment and human resource development so that interested individuals can develop their career according to their capabilities. In particular, accumulating various experiences, such as field operations, policy-related work, and surveys and research, will not only help develop career paths but will also eventually contribute to creating a virtuous circle connecting policies and implementation. Furthermore, it is important to invite those professionals who have accumulated policy and operational experiences in international organizations to work for Japan’s development assistance, and at the same time, to increase the number of Japanese professionals active in international organizations in order to contribute to the formulation of their assistance strategies. There is a need to establish a pool of qualified human resources with international competitiveness, who can connect the activities within Japan and abroad, as well as the field activities, policies and research. More specifically, there is an urgent need to establish a “Human Resources Development Center,” which—with linkages with international organizations and

aid agencies abroad—will collaborate with domestic NGOs, local governments, universities, businesses, ministries and agencies, the new JICA, the police, and the Self-Defense Forces. Furthermore, it is necessary to expand employment opportunities in the area of international cooperation and increase the mobility of human resources across organizations, by significantly promoting recruitment and personnel exchanges (including interns) among NGOs, research institutes, private businesses, the Ministry of Foreign Affairs, diplomatic establishments abroad, and the new JICA.

9 Enhance Collaboration with the Private Sector and Form Public-private Alliances

Proposal 23 The Overseas Economic Cooperation Council shall include representatives of private businesses and NGOs in its advisory body, the “International Cooperation Strategy Committee.”

Proposal 24 Establish a “Multi-stakeholder Forum for ODA Implementation” to enhance the collaboration of the Government, the implementing agencies, businesses, NGOs, universities, etc. to promote international cooperation.

Proposal 25 The Ministry of Foreign Affairs and the new JICA shall establish an information-sharing network among the country-based ODA Task Forces, business, NGOs, researchers, etc.

Proposal 26 The Government and the new JICA shall promote public-private partnerships (PPPs) and design special facilities to effectively mobilize funds and know-how from the private sector.

Although the importance of collaboration between ODA and the private sector has been frequently emphasized, there remains a tendency to treat the private sector as a “component” of ODA. As a result, a true partnership between them is yet to be established.

The private sector (businesses, NGOs, etc.) has been actively engaged in ODA activities. However, we must note that their activities tend to suffer from a bad image. One example is the notion that “the ODA activities pursued by big companies are for profit and are thus not clean.” It is extremely rare that ODA is implemented with multi-stakeholder participation by making good use of the knowledge and experience of the private sector.

Moreover, the consultant industry is considerably affected by both loss and aging of its human resources, seriously suffering from the burden caused by the inconsistent ODA implementation system. This is compounded by the fact that currently, the role of private businesses in ODA is viewed only in light of contractual relationships, based on the offering of and bidding for individual ODA projects. They are not viewed as partners for promoting international cooperation, for example, in the areas of improving the investment climate or supporting institution building. Conversely, there is a lack of awareness on the part of the businesses that while offering their expertise to ODA activities, they are also beneficiaries from the ODA in the medium to long term. As such, businesses have not made major efforts to approach the Government and the implementing agencies.

The private sector (businesses, NGOs, etc.) has an important role in supporting international cooperation. We should firmly bear in mind that such private, non-ODA cooperation forms the basis of bilateral relationships, on which ODA is based. It is necessary to expand and diversify the channels of international cooperation, including

private investments and NGOs as well as international exchanges at the level of local governments. In this sense, the role of ODA must be viewed as creating the enabling environment for private sector cooperation.

Moreover, it is necessary to establish a system to take advantage of the knowledge of the private sector. Such a system should be based on renewed recognition of the role of the private sector as a key player in ODA activities. More specifically, it is necessary to include the fourth tier (the private sector) within the ODA implementation system and create channels of interaction between the fourth tier and the other tiers. These channels include the participation of the private sector representatives in the “International Cooperation Strategy Committee” to advise the Overseas Economic Cooperation Council (at the strategy level) and also in the “Multi-stakeholder Forum for ODA Implementation” (at the implementation level).

Furthermore, there is a need to devise measures to provide comprehensive support to promote public-private partnerships (PPPs), especially to assist such countries where private businesses are active (Asian countries, middle-income countries, etc.) and to tackle environmental issues (including the Clean Development Mechanism [CDM]). It is also necessary to establish a system for reducing risks associated with investments in Africa, as it is very likely that private investment will not arise spontaneously due to the significant risk factors involved.

10 Clarify the Vision and Sharpen the Focus of Japan's Aid to Africa

Proposal 27 The Government shall reform the budget and funding systems and expand the ODA volume for Africa in 2008 and beyond, especially in grants.

Proposal 28 Establish a committee to specialize in supporting Africa within the "Multi-stakeholder Forum for ODA Implementation."

Proposal 29 The Government and the new JICA shall select model countries to embody the "aid for graduation" message and allocate additional aid to them. Human and financial resources should be concentrated on the model countries.

Proposal 30 The Government and the new JICA shall design special facilities for Africa to mitigate risks and promote private sector investment.

There is a consensus in the international community on the importance of supporting the development of Africa, and many donor countries and organizations have been increasing their assistance to the continent. In contrast, in Japan there is no clear consensus on the basic idea about the "reason why we should support Africa," partly because Japan is geographically far from Africa and its historical, political and economic relations with that continent are limited. Discussions on Africa among the Japanese citizens are also nearly nonexistent. Although the share of Africa in total Japanese ODA has remained stable at about 10%, the actual amount (net disbursements) of ODA to Africa has halved in the past decade. The Japanese Government made a commitment to double its ODA to Africa over the coming three years at the 2005 G8 Summit, but has not yet presented its vision for assistance in 2008 and beyond, in terms of the budget size and share of Africa in the total ODA. Furthermore, despite the fact that active aid partnerships are taking place in Africa, the functions of Japanese field offices in Africa are constrained due to insufficient numbers of professional staff and budget size, as well as limited decision-making authority, compared to those of other donors. Many of the problems of Japanese ODA are crystallized in the support to Africa.

As a responsible member of the international community, Japan should be actively engaged in supporting the development of Africa as long as the purpose of ODA is to contribute to development and poverty reduction in developing countries ("global interest"). At the same time, the Japanese citizens will indirectly benefit in various ways ("national interest") if Japan is successful in establishing and strengthening a long-term trusting relationship with African countries by providing assistance to meet their development needs. We consider it necessary to promote the understanding of Japanese citizens regarding support for Africa so that they will fully recognize that the "global interest" and the "national interest" are inseparable in this age of globalization.

With this in mind, there is an urgent need to set up a committee to specialize in Africa within the “Multi-stakeholder Forum for ODA Implementation” to discuss the strategies and approaches Japan can take to support Africa, building on public-private collaboration. Moreover, it is desirable to increase the general account ODA budget allocated for Africa, especially in grants, partly to avoid unnecessarily increasing Africa’s debt burden. Certain African countries are keenly interested in the development experience of East Asian countries that have successfully graduated from aid and have started to make self-help efforts for accelerating growth. We consider it necessary to concentrate human and financial resources on these selected African countries and intensify assistance to them so as to realize in these countries the “aid for graduation” that Japan has successfully practiced in East Asia. To do so, Japan should make good use of its strengths, namely, attention to the production sector (such as industry and agriculture), public-private collaboration, and field-based activities, and sharpen its prioritization in aid to Africa.

At the same time, since the implementation of projects in Africa involves significant risks, and the private sector does not invest there spontaneously, special facilities must be designed to mitigate risks and indirectly support private sector development by using ODA (for example, support for corporate social responsibility [CSR], loan and investment functions by ODA, and partial guarantee function in PPPs).

[Issue Raisers]

(Listed by the circles to which they belong in the English alphabetical order with the job title at the time)

<Political>

Abe, Masatoshi	Member of the House of Councillors (Deputy Secretary-General, Liberal Democratic Party)
Inuzuka, Tadashi	Member of the House of Councillors (Democratic Party)
Toyama, Kiyohiko	Vice-Minister (Parliamentary) for Foreign Affairs; Member of the House of Councillors (New Komeito)

<Mass media>

Araki, Mitsuya	President and Chief Editor, The International Development Journal Co., Ltd.
Imazato, Yoshikazu	Editorial Writer, The Tokyo Shimbun
Wakisaka, Noriyuki	Editorial Writer, The Asahi Shimbun

<Business>

Hayashi, Kanji	Manager, International Cooperation Group, International Economic Affairs Bureau II, Nippon Keidanren (Japan Business Federation)
Mishina, Ichiro	Member of the Engineering and Consulting Firms Association (Managing Director, Nippon Koei Co., Ltd.)
Miyaji, Masaki	Corporate Advisor, Mitsubishi Corporation
Yoshimura, Takashi	Principal Administrator, International Economic Affairs Bureau II, Nippon Keidanren (Japan Business Federation)

<NGOs>

Nakajima, Masaaki	Policy Officer, Hottokenai Sekai no Mazushisa (Don't let it be - World Poverty)
Takahashi, Kiyotaka	Research and Policy Manager, Japan International Volunteer Center (JVC)

<Academics>

Kojima, Masahiko	Professor, National Graduate Institute for Policy Studies; Visiting Senior Advisor, Japan International Cooperation Agency (JICA) (Coordinator of the Group for Renovating Japanese ODA)
Kusano, Atsushi	Professor, Faculty of Policy Management, Keio University

Ohno, Izumi Professor, National Graduate Institute for Policy Studies
(Coordinator of the Group for Renovating Japanese ODA)
Ohno, Kenichi Professor, National Graduate Institute for Policy Studies

<Other parties concerned>

Okamoto, Takehiro Planner, Customer Marketing Division, Hakuholdo Inc.
Tanaka, Tatsuo Executive Director, Association for the Promotion of
International Cooperation (APIC)

[Manifesto Compilation Team]

Araki, Mitsuya President and Chief Editor, The International Development
Journal Co., Ltd.
Asanuma, Shinji Visiting Professor, School of International and Public Policy,
Hitotsubashi University
Fukui, Ryu Manager, Tokyo Development Learning Center, The World Bank
Osaki, Asako Development Policy Specialist (Hottokenai Sekai no Mazushisa
[Don't let it be - World Poverty], UNDP)
Kojima, Masahiko Professor, National Graduate Institute for Policy Studies; Visiting
Senior Advisor, Japan International Cooperation Agency (JICA)
(Coordinator of the Group for Renovating Japanese ODA)
Ohno, Izumi Professor, National Graduate Institute for Policy Studies;
(Coordinator of the Group for Renovating Japanese ODA)

The Discussion Group meetings have been managed by the Secretariat Team (Asuka Suzuki and Masumi Owa, with Izumi Ohno and Masahiko Kojima) at the National Graduate Institute for Policy Studies.

MANIFESTO AT A GLANCE:

-30 Proposals for Enhanced International Cooperation-

Tasks	Problems	Basic direction	30 proposals
1. Clarify the vision and strategies	<ul style="list-style-type: none"> ● The vision and strategies of ODA are not clearly defined. It is impossible to send out effective messages to citizens and the international community. ● The current ODA strategies attempt to please everyone, but leave no one sufficiently satisfied. 	<ul style="list-style-type: none"> ● ODA, if viewed as a national strategy, should serve dual purposes, i.e., “national interest” and “global interest.” ODA policies should be determined based on a combination of the two. ● ODA, if viewed as “assistance strategy,” should contribute to the development of developing countries. Support for “growth promotion” and “poverty reduction” should be combined, according to the needs of partner countries. ● There is a need to establish a system that clearly defines the vision and dual roles of ODA as a “national strategy” and an “assistance strategy.” Political involvement in ODA policy-making is necessary. Specifically, the Overseas Economic Cooperation Council (OECC) should develop the basic strategies, and the Diet, representing the will of the Japanese people, should discuss them. 	<p>[1] The Diet shall discuss the basic strategies and the ODA budget and set up a special committee (in both chambers of the Diet) to this end.</p> <p>[2] The OECC (set up in the Cabinet Secretariat and charged with ODA strategy) shall establish an “International Cooperation Strategy Committee,” with members from the public and private sectors, as its advisory body.</p> <p>[3] The OECC shall develop a framework of country/region-specific assistance strategies, strategies for priority issues, multilateral assistance strategies, etc. based thoroughly on “selection and concentration,” and guide the Ministry of Foreign Affairs in drawing up the required policies.</p>
2. Satisfy the needs of developing countries and strengthen the field-level functions of ODA implementation	<ul style="list-style-type: none"> ● The current system does not enable the provision of assistance that satisfies the needs of developing countries. ● The field-level implementation system and human resources are not sufficient. The activities of the country-based ODA Task Forces tend to be influenced by personal factors. 	<ul style="list-style-type: none"> ● There is a need to establish a system capable of properly identifying the needs of partner countries and making timely decisions at the field level. ● There is a need to delegate the decision-making authority to Japanese aid professionals working in the field and to review how the country-based ODA Task Forces should function. ● The right person should be placed in the right place, irrespective of his/her affiliation (e.g., the embassy or implementing agencies). The ODA Task Forces should build an open network with the private sector. 	<p>[4] The Ministry of Foreign Affairs shall clearly define the role of the country-based ODA Task Forces to accelerate the field-level decision making and strengthen their functions with multi-stakeholder participation.</p> <p>[5] The new JICA shall serve as the secretariat of the country-based ODA Task Forces and lead their activities.</p>

Tasks	Problems	Basic direction	30 proposals
3. Lead the global development trends	<ul style="list-style-type: none"> ● Involvement in the international development strategies of international organizations is limited, due to a lack of clearly defined strategy for utilizing multilateral assistance. ● Japan has not effectively disseminated its aid and development vision to the international community, as a “Japanese approach to assistance” has not been clearly defined. ● Japan has taken passive attitudes toward leading and influencing global development trends. 	<ul style="list-style-type: none"> ● There is a need to formulate strategies to increase Japan’s involvement in shaping global development trends and the policies of international organizations. The use of multilateral and bilateral assistance must be clarified. ● Japan should present the vision it has fostered through its aid and development experiences in East Asia as a universal value to the international community. It should systematize and theorize the accumulated experiences and expertise, and strengthen the ability to disseminate and mainstream them into global development trends. ● It is necessary to build a network that connects developing countries, Japan, and the centers of the international aid community. An “International Cooperation Strategy Think Tank,” independent from the Government, should be created in addition to improving the research capability of the new JICA. ● Japan should establish “aid for graduation” as its basic message of ODA, which is the contemporary definition of the support to self-help efforts aimed at self-reliance. The phrase is used to reconfirm the basic stance that aid should be given in order to eventually terminate it, and also implies an assistance strategy involving growth promotion, accompanied by supplementary measures to address issues arising in the growth process (environmental issues, widening disparities, etc.). 	<p>[6] The OECC shall clearly define the basic strategies for taking part in multilateral assistance, and the Government and the new JICA shall actively participate in the formulation process of international development strategies, currently led by international organizations.</p> <p>[7] Create a globally open “International Cooperation Strategy Think Tank” to formulate policy proposals and conduct research and dissemination activities to contribute to both national and assistance strategies.</p> <p>[8] The Government and the new JICA shall establish“ as a basic message of Japan’s ODA and disseminate this message within Japan and abroad. This refers to the support to self-help efforts which Japan has been practicing in Asia.</p>
4. Promote the understanding and participation of citizens	<ul style="list-style-type: none"> ● The Government’s appeal to citizens (taxpayers) on ODA is insufficient. ● ODA suffers from negative public images such as “opaqueness,” “inefficiency,” and “the recipient countries not being thankful.” ● The size of the budget allocated to the Government’s public relations activities for ODA is small, and the Government lacks a public relations strategy. 	<ul style="list-style-type: none"> ● It is necessary to do away with the “public relations activities for ODA” that mainly feature the Government and the implementing agencies. ● There are not enough channels of dialogue between the citizens and the Japanese aid circle. As the development issues and domestic issues are not adequately connected, it is necessary to link domestic policies with diplomacy. ● It is necessary to carefully craft public relations strategies for international cooperation, to convert from defensive to offensive activities. This means creating messages that clearly explain “what ODA is for” and disseminating them through appropriate media to suit the interests of various segments of Japanese society. ● It is necessary to include in public relations messages more “human factors” and “story-like plots.” ● There is a need to devise a system involving citizens, NGOs, business, politicians, media, etc. 	<p>[9] The Government shall renovate the public relations activities for ODA. Use the phrase “international cooperation” instead of the acronym “ODA” and mainly feature Japanese professionals (from businesses, universities, NGOs, etc.) actively engaged in the field activities with the people of the developing country instead of featuring the Government or the implementing agencies.</p> <p>[10] The Government and the new JICA shall collaborate with civil society to disseminate information on international cooperation.</p> <p>[11] Under the guidance of the OECC, the Government and the new JICA shall disseminate messages tailored to all segments of Japanese society via appropriate media.</p>

Tasks	Problems	Basic direction	30 proposals
5. Restructure and strengthen the system for ODA policy implementation	<ul style="list-style-type: none"> ● Although a “three-tier structure” has been established, the roles of the OECC, the Ministry of Foreign Affairs, and JICA are not clearly defined, and there is insufficient delegation of authority. ● The details of discussions held by the OECC remain undisclosed. ● The work of the Ministry of Foreign Affairs often overlaps with that of JICA, causing inefficiency. 	<ul style="list-style-type: none"> ● The new implementation system should be restructured as a “four-tier” structure—instead of a “three-tier” structure—inclusive of the private sector (businesses, NGOs, etc.) as key actors of ODA. ● There is a need to clearly define respective roles: The OECC should determine the size of the overall ODA budget, priority countries, priority issues, and multilateral assistance strategies from the viewpoint of national strategy. The Ministry of Foreign Affairs should formulate assistance policies for specific countries and for priority issues, and coordinate and decide country-specific aid allocations (ceilings for the totals of loan aid, grant aid, and technical cooperation) as well as bilateral and multilateral assistance policies. The new JICA should develop country- and issue-specific assistance programs and assume responsibility for developing and implementing the cooperation programs in a holistic manner. ● There is a need to clearly separate the role of the Government from that of the implementing agency (new JICA) to eliminate overlaps. Decisions should be made promptly, at the field level. 	<p>[12] The Ministry of Foreign Affairs, guided by the strategies set up by the OECC, shall develop country/region-specific assistance policies and policies for priority issues, and decide country-specific aid allocations.</p> <p>[13] The new JICA, guided by the above policies and country-specific aid allocations, shall execute all the activities—from the development of the cooperation program to their implementation of assistance—in a holistic manner.</p> <p>[14] The Government and the new JICA shall restructure the ODA activities from the scheme-based budget to an issue-based budget.</p>
6. Reform and improve the administrative systems and procedures	<ul style="list-style-type: none"> ● The current ODA system and procedures are complex, requiring considerable time before implementation. 	<ul style="list-style-type: none"> ● There is a need to remove or correct bottlenecks in the budget system and various procedures. (Examples include the vertically divided, fragmented administration system; rigidity in budget and operational procedures, the procurement system, and the single-year budgeting system—which give insufficient consideration to the work conditions in developing countries—and lengthy internal review processes between project planning and implementation.) 	<p>[15] The Government and the new JICA shall consolidate the fragmented aid schemes and simplify cumbersome procedures.</p> <p>[16] The Government shall make international commitments on ODA projects more comprehensive by aggregating individual projects.</p> <p>[17] The Government shall increase the flexibility of the cooperation period, eliminate the problems caused by the single-year budgeting system, and the new JICA shall drastically revise its procurement procedures in order to achieve results-oriented, speedy assistance.</p>

Tasks	Problems	Basic direction	30 proposals
7. Increase the ODA budget and reform its funding mechanisms	<ul style="list-style-type: none"> ● Japan's ODA budget has continuously declined, and there is the possibility that Japan will fall to fifth place in terms of ODA volume. ● There is a possibility that Japan may not achieve the US\$10 billion increase in ODA and the doubling of aid to Africa committed by the Japanese Government at the 2005 G8 Summit. 	<ul style="list-style-type: none"> ● Japan should not decrease the ODA budget, considering Japan's position as the world's second largest economic power, a country with scarce natural resources, a trading nation, a country enjoying material abundance that depends on developing countries, and a country vulnerable to the impacts of global warming and other environmental issues. ● Japan must keep its international commitments as a responsible member of the international community. ● Japan should strive continuously to improve the quality and enhance the strategic orientation of ODA, learning from the hard lessons of past failures and inefficient implementation of projects. At the same time, it is essential to secure the absolute amount of ODA in order to firmly maintain Japan's presence in the international community. ● It is necessary to establish a system for increasing funding for the Japanese ODA budget, especially in grants (grant aid and technical cooperation), from a medium- to long-term perspective, as the demand for highly concessional funds to support environmental conservation and African development etc. is likely to increase in the future. 	<p>[18] Increase the ODA budget to a level commensurate with that of national income and keep international commitments.</p> <p>[19] Increase the general account ODA budget for grants and examine measures to secure new financial resources (e.g., allocating 1 percent of the international aviation tax or the consumption tax for ODA).</p> <p>[20] Earmark sums of the ODA budget specifically for environmental conservation and for African development.</p>
8. Develop international cooperation-related career paths and improve the human resources development system	<ul style="list-style-type: none"> ● There is a serious shortage of human resources with professional expertise in international cooperation. There are limited job opportunities for those who have gained certain experiences in international cooperation. ● The number of Japanese people working in international organizations is limited. ● The career paths for international cooperation are yet to be established. 	<ul style="list-style-type: none"> ● There is a need to establish a system so that interested individuals can develop their career according to their capabilities. ● Accumulating various experiences, such as field operations, policy-related work, and surveys and research, will not only help develop career paths but will also eventually contribute to creating a virtuous circle connecting policies and implementation. It is also important to invite those professionals who have accumulated policy and operational experiences in international organizations to work for Japan's development assistance and to increase the number of Japanese active in international organizations to contribute to the formulation of their assistance strategies. ● There is a need to establish a pool of qualified human resources with international competitiveness who can connect the activities in Japan and abroad, as well as the field activities, policies and research. To this end, the personnel exchanges and employment opportunities should be increased in the area of international cooperation (for example, by establishing a "Human Resources Development Center"). 	<p>[21] Establish a "Human Resources Development Center" for international cooperation. Register human resources, establish a network with national agencies and international organizations, and work collaboratively with educational organizations and others.</p> <p>[22] Expand the employment opportunities in workplaces such as international organizations, the Ministry of Foreign Affairs, the new JICA, universities, businesses, and NGOs, to establish career paths for international cooperation. At the same time, increase the mobility of human resources across organizations.</p>

Tasks	Problems	Basic direction	30 proposals
9. Enhance collaboration with the private sector and form public-private alliances	<ul style="list-style-type: none"> ● Collaboration between ODA and the private sector remains insufficient (although the two differ in terms of transparency and accountability to citizens). ● The private sector (businesses, NGOs) also lacks awareness that it is a key actor in ODA implementation. 	<ul style="list-style-type: none"> ● Private, non-ODA cooperation forms the basis of bilateral relationships, on which ODA is based. It is more consistent and less influenced by political factors such as changes of government. Accordingly, it is necessary to expand and diversify the channels of international cooperation. ● The new implementation system should be restructured from the viewpoint of a “four-tier structure” inclusive of the private sector as a key actor in ODA (same as 1, 2, and 5 above). ● There is a need to devise measures to provide comprehensive support to promote public-private partnerships (PPPs), especially to assist countries where private businesses are active (Asian countries, middle-income countries, etc.) and to tackle environmental issues (including CDM). It is also necessary to establish a system for reducing risks associated with investments in Africa, as it is very likely that private investment will not arise spontaneously, due to the significant risk factors involved (same as 10 below). 	<p>[23] The OECC shall include representatives of private businesses and NGOs in its advisory body, the “International Cooperation Strategy Committee.”</p> <p>[24] Establish a “Multi-stakeholder Forum for ODA Implementation” to enhance the collaboration of the Government, the implementing agencies, businesses, NGOs, universities, etc. to promote international cooperation.</p> <p>[25] The Ministry of Foreign Affairs and the new JICA shall establish an information-sharing network among the country-based ODA Task Forces, businesses, NGOs, researchers, etc.</p> <p>[26] The Government and the new JICA shall promote public-private partnerships (PPPs) and design special facilities to effectively mobilize funds and know-how from the private sector.</p>
10. Clarify the vision and sharpen the focus of Japan's aid to Africa	<ul style="list-style-type: none"> ● The basic idea behind the strategy for support for Africa has not been clearly defined. ● The Japanese Government has not presented its vision for assistance to Africa in 2008 and beyond (after its existing commitment of doubling ODA to Africa by 2007). Although the share of Africa in total Japanese ODA has remained stable at about 10%, the actual amount has halved in the past decade. 	<ul style="list-style-type: none"> ● As a responsible member of the international community, Japan should contribute to the development of Africa (“global interest”), which is a shared concern within the above community. It is necessary to intensify public relations activities to increase citizen awareness, based on the recognition that the “global interest” and “national interest” are inseparable in this age of globalization. Japan should establish a long-term trusting relationship with African countries by providing assistance to meet their development needs. ● There is a need to establish special facilities to reduce risks associated with investments in Africa and indirectly support private sector development by using ODA (Examples: CSR support, loan and investment functions by ODA, partial guarantee function in PPPs) <p>There is an urgent need to reinforce the network that connects the fields in African countries, Japan, and the centers of the international aid community in order to provide effective assistance in Africa where active aid partnerships are taking place.</p>	<p>[27] The Government shall reform the budget and funding systems and expand the ODA volume for Africa in 2008 and beyond, especially in grants.</p> <p>[28] Establish a committee to specialize in supporting Africa within the “Multi-stakeholder Forum for ODA Implementation.”</p> <p>[29] The Government and the new JICA shall select model countries to embody the “aid for graduation” message and allocate additional aid to them. Human and financial resources should be concentrated on the model countries.</p> <p>[30] The Government and the new JICA shall design special facilities for Africa to mitigate risks and promote private sector investment.</p>

Please refer to the following website for details in Japanese of the discussions leading up to the formulation of this Manifesto.

http://www.grips.ac.jp/forum/oda_salon/

This English translation of the Manifesto was supported by the British Embassy in Japan.