



# JICA's Operation for

# **India's Prosperity**

and

# <u>Mutual Understanding/Trust</u>

- Significance and Value -

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# I. Why Japan / JICA...?





# Why Japan / JICA...?

- (JICA's supporting project) will act as a huge <u>social and</u>
   <u>psychological change</u> act
   -- it <u>changes the mindset</u> of Indians, and <u>shares the art of excellence</u>, <u>safety</u>, <u>punctuality</u> and <u>perfection</u>.
- Donald Keene, US Professor at Columbia University, announced his decision to become a Japanese citizen.
   He said, "If any civilisation has constantly suffered tragedies and always bounced back, it is Japan. It is because they believe in discipline, team work and perfection.
   I want to live with these people. I want to die with these people."
- It is this uniqueness which Japan brings to India (through JICA's project).
   It can catalyse Indian to transform itself.

by Mr Amitabh Kant. CEO, NITI Aayog

(Extracted from the ET (Sep 2017), and slightly adjusted for readers by Sakamoto) <a href="https://economictimes.indiatimes.com/industry/transportation/railways/how-japans-bullet-train-can-transform-indian-railways-into-a-global-leader-in-size-scale-skill/articleshow/60712476.cms?from=mdr



# **Long-term India-Japan Relations**

### Historically Amicable & Strong



- <u>Introduction of Buddhism</u> to Japan from India.
  - In 752, an Indian monk Bodhisena (बोधिसेन) performed eye-opening of the Great Buddha at Tōdai-ji Temple, Nara Prefecture, Japan.
- In Meiji Era, <u>India's cotton</u> stimulated the textile industry development in Japan. (Up to 10% of import amount from India in the end of Meiji Era.)
- In 1948, at the International Military Tribunal for the Far East in Tokyo after WWII, Indian Justice Radhabinod Pal became famous for his fair judgement.
- In 1951, then Prime Minister Jawaharlal Nehru refused to attend the San Francisco Peace
   Conference from a broader perspective, and at the time of establishing official diplomatic
   relations in 1952, India waived all reparation claims against Japan tolerantly.
- <u>Indian iron ore</u> supported the steel industry development in Japan (Up to 30% of import amount from India in 1960.)



# **Recent India-Japan Relations**

- Both established <u>Special</u> Strategic and Global Partnership.
- For India, Japan is the <u>largest</u> donor of official assistance.
- For Japan, India is the <u>largest</u> recipient of ODA Loan support.
  - 1952.4 Diplomatic relations (70th Anniversary, 2022)
  - 1958 Japan's first ODA Loan in the world extended to India.

- 2000.8 "Japan-India Global Partnership in the 21st Century"
- 2005.4 Japanese PM Koizumi visited India. Annual based PMs mutual visits started.
- 2006.12 "Joint Statement Towards Japan-India Strategic and Global Partnership"
- 2014.9 "Tokyo Declaration for Japan-India Special Strategic and Global Partnership"
  - >> Innumerable coming and goings, meetings, interactions, etc. between high dignitaries.

# **Special Following Wind for More Robust Ties!!**





# II. JICA's Mission (QG & HS)

Case1: Social Innovation

Case2: Value Adding

Case3: Private Mobilization



### **JICA's Mission**

# (1) Quality Growth (QG)

for Prosperity with More **Jobs**, More **Investment**, etc.

- Sustainability
- Resilience
- Inclusiveness

# (2) <u>Human Security (HS)</u>

"No One Left Behind" e.g. Health, Env., Social Protection

- Vulnerability
- Disparity
- Capacity Dev.



# Shining Example - Delhi Metro -

Then PM Manmohan Singh (Joint Statement 2006)

"Delhi Metro is a <u>shining</u> <u>example</u> of Japan-India partnership"

### Safe, Timely, Comfortable Move for Better Life

- Human-Centered Investment-

**≻Safe** : Safety consciousness (in construction/operation stages)

>Timely : High reliability of punctual public services

➤ Comfortable :vulnerable-users-friendly universal designs

based on Indian culture and life style

Over 300 km / Over 30 lakh Passengers

Vehicles on Road: ▲7 lakh/day

Air Pollutant: ▲10 lakh ton/year

Vehicles Accident : ▲1500 case/year



## Quality Infrastructure

"Safe, Timely, Comfortable" Service Delivery



# **Shining Example** - Delhi Metro - (cont.)

### **Quality Infrastructure Brought**

# "Social Innovation"

### with Mindset- /Behavior- Change





2017年11月20日 The Hindu

#### JICA releases report on Delhi Metro

Research charts how Metro changed the way the city travelled, reduced pollution

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Case 2

## **Forestry Sector**

JICA is the biggest donor in the sector in India.

(Over JPY 150 bil. since 2000, while the second donor invested about JPY 10 bil.)

### **Major Impacts**

### 1. Environment, climate change, biodiversity

- Afforestation area nearly 3 mil. ha, research activities, etc.

### 2. Poverty alleviation

- Community development
- Income Growth (IG) activities uplifted people's life

### 3. Women empowerment

- Vigorous Self Help Group (SHG) activities focusing on women
- IG program with micro finance

### 4. Disaster prevention,

### Water resource conservation

- Soil / Moisture conservation
- Improvement of ground water level

### 5. Utilizing Japan's knowhow

- Capacity development, Training
- Collaboration with Japan's local governments (Odisha, Tripura...)





## Forestry Sector (cont.)



"JICA assistance is not only financial help, but for better tomorrow for all!"

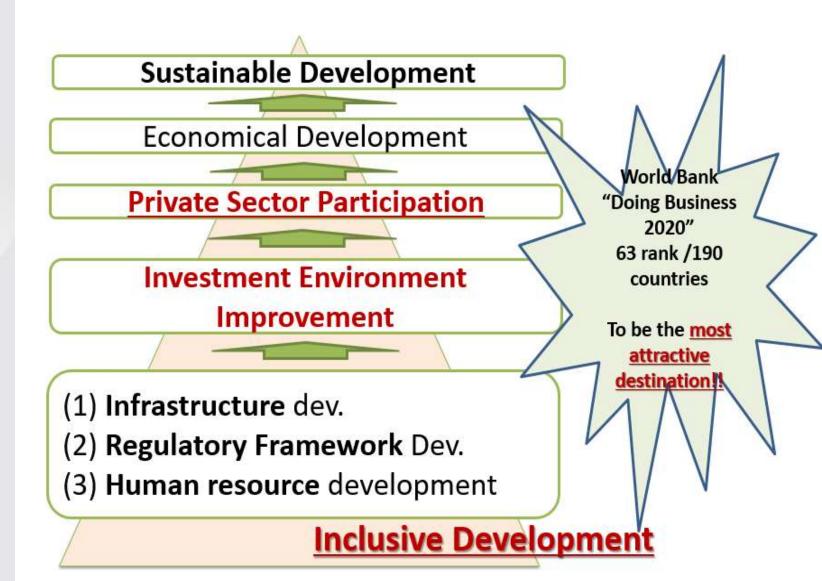






Case 3

## Path toward Sustainable Dev.





# **Encouraging Japan's Investment** for Sustainable Dev.

#### Fast growing large economy in the world

"In this cloudy global horizon, India is a bright spot."
(IMF 2015.3)

#### Expect to be largest population in the world (in 2020s)

More than 60% of population is at working-age (15-59 years) and more than 50% are less than 25 years old

#### Expanding Infrastructure Investment

Infrastructure is one of 6 pillars in Budget Speech (Feb. 2021)

#### Growing Indian market

#### Special Relationship as in "Tokyo Declaration for Japan-India Special Strategic and Global Partnership"

About Rs. 2 lakh crore of public and private investment/financing to India from Japan in five years (Dec. 2014).

#### Special Bilateral relationship

#### Japanese companies are now targeting India as the promising business destination

>No.1 mid-term promising business destination for Japan's manufacturing industry (JBIC 2019) >Majority of the Japanese companies in India planning business expansion (JETRO 2020)

Positive Attitude of Private Sector



JICA can Facilitate
Private Sector
Participation for
Sustainable
Development

## JICA's function for business environment improvement

>Infrastructure development, >Regulatory framework development and internationally standardized contract management >Human Resource Development >PPP (Public Private Partnership) Project formulation, etc.

#### Various Schemes of JICA

# Risk factors still exist. The challenges remain to address to reduce the business risks.

Shortage of infrastructure, Instable/Uncertain operations of laws & regulations, etc

Risks still exist



# Toward the Country/State to be Chosen

# <u>Competitiveness</u> thru <u>Differentiation</u> -- Comparative Advantage --

- # Business Risk Mitigation
  - by Addressing Private Sector's Concerns

(Infra, Regulations and Human Resources)

- # Balanced Society for Sustainability
  - (Environment, Gender, Vulnerability ...)
- # Innovation

(Social- and Technology-)

# Introduction of Japan's Strong Points

(Knowhow, Technology and **Behavior**)



# **III. Special Topics**

- 1. Resilient Society under COVID-19
- 2. NER Development and Connectivity
- 3. Hints for Full Use of JICA





COVID-19

# Topic1. with/post COVID-19

# Resilient Society

Emergency period / Short Term

Mid-Term

Long-Term

- Quick Budget
   Support
- Medical Equipment (PPE, etc.)

- Robust Health & Social Protection Systems
- Nutrition & Education
- Climate Change / Disaster Risk Management
- Governance (Free & Democratic Society)

Quick Cash Injection for Both Interventions

- Economic Growth
- Job Creation, Income Generation

Human Resource Capacity Development (Scholarship, Trainings)



## Topic1. with/post COVID-19 (cont.)

#### JICA's Approach

- Full Utilization of <u>Past Cooperation Assets</u>
- Best mix of <u>Hard/Soft</u> Infra.
- Partnership with various actors (Academia, Companies...)
- Multi-Sector (Health\*Education\*Nutrition\*Transport\*Energy...)
- Digital Transformation (DX)

#### Toward...

```
<u>"QG"</u> & <u>" HS"</u>
```

- # "Economic Vaccine" (Sustainable, Resilient and Inclusive Dev.)
- # No One Left Behind (Vulnerability, Fragility, Disparity...)



## Topic1. COVID-19

<Ref.> Message from JICA President

## No country is safe

## until all countries become safe!!



https://www.youtube.com/watch?v=-oUeJzyQvOY&feature=youtu.be

- Prevention: Clean water, hand hygiene, proper nutrition, etc.
- Precaution: CD for research institutions for early detection, etc.
- Treatment: Hospitals, equipment, CD of medical staff, etc.



# Topic2. NE Dev. and Connectivity

#### **North East**

#### **North East: Main ODA projects**

As of January, 2021

#### Sikkim

 Biodiversity Conservation and Forest Management (5.384 billion yen; 2010.03)

#### Assam

- Guwahati Water Supply Project (29.453 billion yen; 2009.03)
- Guwahati Sewage Project (15.620 billion yen;2014.11)
- Construction of a Vocational Training Center for the Poor women in Kamrup (9.9 million yen; 2016.03)

#### Assam/ Meghalaya

 North East Road Network Connectivity Improvement Project (Phase3:25.483 billion yen; 2018.10) Dhubri-Phulbari Bridge

#### Meghalaya

- North East Road Network Connectivity Improvement Project (Phase1: 67.170 billion yen; 2016.03/ Phase 2: 38.666 billion yen; 2017.09) NH-51 (Tura – Dalu)/NH-40 (Shillong – Dawki)
- Project for Renovation and Modernization of Umiam-Umtru Stage-III Hydroelectric Power Station (5.497 billion yen; 2018.10)
- Community-Based Forest Management and Livelihoods Improvement (10.397 billion yen; 2020.03)

#### Tripura

- Sustainable Catchment Forest Management Project (12.287 billion yen; 2018.10)
- North East Road Network Connectivity Improvement Project (Phase4:14.926 billion yen; 2020.03) NH-208 (Kailashahar – Khowai)

Total ODA: over 231 billion yen

(appx: INR 1,600 crore)

\* DHAK

(converted at the exchange rate of 27th January, 2021)



#### GLADESH OFFICE O

- Construction of Primary School for Scheduled Tribe (7.3 million yen; 2012.03)
- Construction of Secondary School for Scheduled Tribe (8.4 million yen; 2018.03)

#### Mizoram

- North East Road Network Connectivity Improvement Project (Phase1: 67.170 billion yen; 2016.03 / Phase 2: 38.666 billion yen; 2017.09) NH-54 (Aizawl – Tuipang)
- Project on Capacity Enhancement for Sustainable Agriculture & Irrigation Development in Mizoram (Technical Cooperation; 2016.10)



# Topic2. NE Dev. and Connectivity (cont.)

**JICA is positive** to support NER, because...





## (1) **Development Needs**

(e.g. Poverty, Road Infra.)

- >> Disparity, NOLB
- >> Regulations (e.g. OSBP), HRD
- (2) <u>Potential</u>, esp. as a <u>Gateway</u> of India to Other Countries (e.g. Bengal Bay, ASEAN and beyond...)
- (3) PMs Joint Statement (2017)

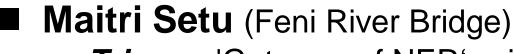


# Topic2. NE Dev. and Connectivity

(cont.)

Case Study (Bridges)

- Dhubri-Phulbari (*Brahmaputra* River Bridge)
  - 8 hours >> 0.5 hours
  - Bhutan-Assam-Meghalaya-Bangladesh



- Tripura, 'Gateway of NER', within only 80km distance from Chattogram port, Bangladesh
- JICA's support for roads/bridges both in India and Bangladesh territories
  - North East will find <u>outlet to the Bay of Bengal</u>, <u>the Indian Ocean and to ASEAN</u>, being able to utilise such ports as in <u>Chittagong or Matabari</u>
  - No longer be a land-locked place
     (HE Japan's Amb Mr. Suzuki (Mar. 9<sup>th</sup>, 2021)







## Topic3. Hints for Full Use of JICA

Points to be taken notes;

# 1. Good Preparedness

(DPR, Budget, Land, EIA, etc.)

**Predictability** 

**Accountability** 

to Japanese

**Tax Payers** 

Resource

Limit and

**Allocation** 

- 2. Coordinated High Priority
- 3. Good Track Records
- 4. Full Use of All Functions

(Training Programs, PPP ("Japan's

Flavor"), Academia, Volunteer, etc.)

Other Challenges;

- 1. Travel Permission Procedures
- 2. Security / Safety



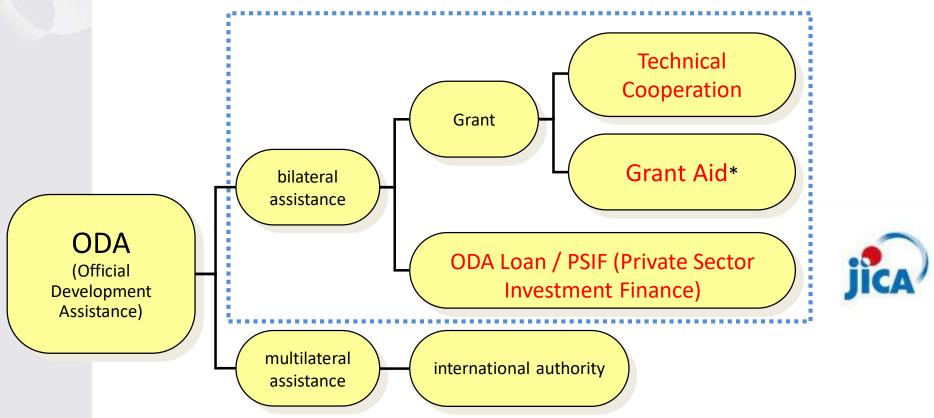
# **Attachments**



### What is "JICA"?

- ✓ JICA is the <u>world's largest</u> bilateral development agency
- ✓ India is the <u>largest and the oldest partner</u> of JICA

Japan's Official Development Assistance (ODA)



\* Part of grant aid is provided by the Ministry of Foreign Affairs.



#### India is JICA's Largest Partner in the World

#### **Concessional Loan**

#### Operational Results in FY2019/20:

Commitment: JPY 374.4 billion

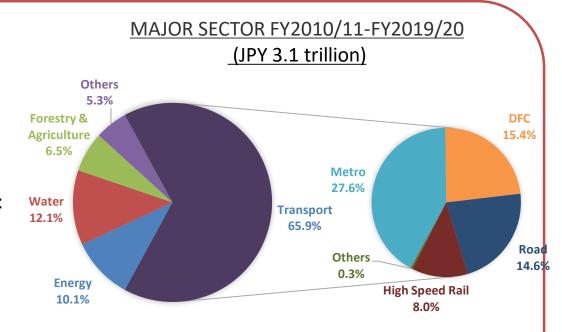
(equivalent to about Rs. 26,600 crore)

Disbursement: JPY 254.7 billion

(equivalent to about Rs. 18,100 crore)

#### Accumulated Commitment by FY2019/20:

- JPY 6.2 trillion in total (equivalent to about Rs. 4.4 lakh crore)



#### Terms and conditions:

- General terms: Interest rate 1.15%, repayment period 30 years (including 10 years grace period)
- STEP: Interest rate 0.1%, repayment period 40 years (including 13 years grace period)

#### **Grant Aid**

Two on-going projects in Private Sector and Road Sector

#### **Technical Cooperation**

Results in FY 2019/20
JPY 8.7 billion (about Rs. 620 crore)

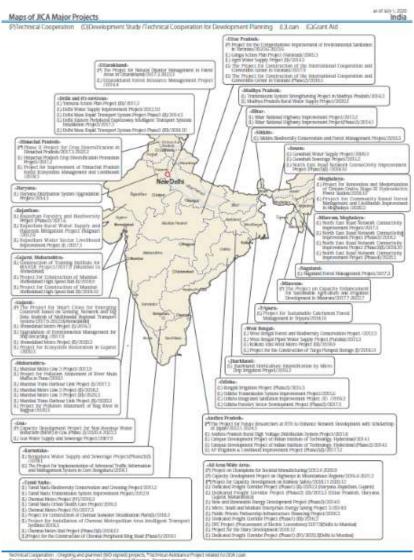
About **300 Japanese experts** to India About **300 Trainee from India** to Japan

# Citizen Partnership / Public-Private Partnership

- Japanese Volunteers
- Japanese NGO activities
- Partnerships with Private-Sector Activities



## **JICA's Projects in India (Map)**



#### Too Many to Illustrate...!

Visit JICA India office's Website for Details.

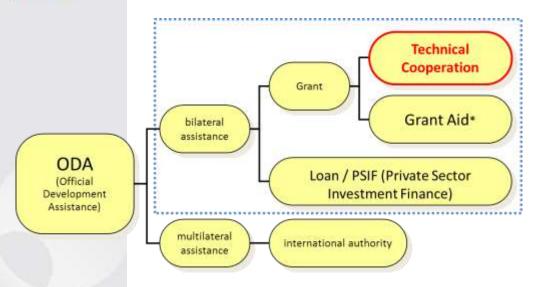
https://www.jica.go.jp/india/engli sh/index.html

Find Press Releases, Reports, Pamphlets, Maps, Guidelines, Presentation Docs, etc. Everything is there.

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#### **Human Resource Dev. under TC**



Technical cooperation (TC) includes the dispatch of JICA experts and the training of Indian officials for "capacity development".

Total Amount of (until FY 2019)	Amount	
Technical Cooperation	about <b>JPY 93billion</b>	
Total Number of (until FY 2019)	Number	
Trainee from India	8,412 persons	
Japanese Experts / Survey team	11,528 persons	
Japan Oversea Cooperation Volunteer	235 persons	

#### (Case Study) Tamil Nadu Investment Promotion Program [Loan/Ongoing]

#### Program Description:

- To further improve the investment climate through strengthening the <u>policy framework</u> and enhancing the quality of <u>urban infrastructure</u> mainly of roads, power, water and sanitation, etc, thereby <u>attempting to increase foreign direct investments</u> in the state for sustainable growth.
- Government of Tamil Nadu and JICA jointly monitor progress of action plans in the agreed policy matrix. Based on achievement, JICA disburses the loan amount by dividing into three tranches (corresponding to each fiscal year action plan).

#### ◆ Loan Amount and Disbursement:

- JPY 13 billion (about Rs. 600 crore)
(7 billion for 1st tranche and 3 billion for 2nd & 3rd tranche)

#### Program Duration:

- 3 years (FY2012/13 - 2014/15)

#### Achievement:

- A <u>comprehensive action plan for ease of doing business</u> has been elaborated.
- Global Investors Meet was held in September 2015.
- Development of <u>industry related infrastructure</u> (e.g. road, water supply, sub-station) has been accelerated.

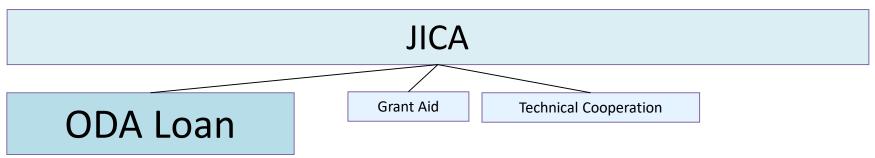


110kV Substation at One Hub Chennai Industrial Park



Access Road to Kamarajar Port

# JICA: Investment Promotion Program Loan (DPL (Dev. Policy Lending))



Concept of Investment Promotion Program Loan

Policy Area	1st Fiscal Year	2 <sup>nd</sup> Fiscal Year	3 <sup>rd</sup> Fiscal Year	
Policy A (Ex. Business procedure)	•Action A	•Action A'	•Action A"	
Policy B (Ex. Human resource)	•Action B	•Action B'	•Action B"	
Policy C (Ex. Small scale infrastructure)	•Action C	•Action C'	•Action C"	
***************************************				
Evaluation of the policy action in each fiscal year  Acceleration!  Acceleration!				



# Toward the Future... Mutual Benefits!

# Not One-Way Assistance, But Win-Win Collaboration !!



e.g. Health sector





#### Seeks

- Opportunities of treatments on the diseases that no longer exist in Japan
- Medical treatment <u>data</u>

#### Seeks

- Finance
- <u>Technology</u> and <u>equipment</u>
- Management <u>knowhow</u>



# Thank you! धन्यवाद



