



# DONOR QUESTIONNAIRE ON AID FOR TRADE

## 1 WHAT IS YOUR AID FOR TRADE STRATEGY?

**Q1.1 Do you have an operational Aid for Trade strategy? Does it have a “pro-poor” focus? What are its key objectives and delivery/implementation modes?** (Please break down by types of aid: "multilateral contributions" / "trust funds" / "budget support" / "other bilateral")

*Please describe and exemplify. If applicable, feel free to refer to your 2007 response.*

Prior to the “WTO Hong Kong Ministerial Conference” held in December 2005, Japan announced the “Development Initiative for Trade.” The “Development Initiative for Trade” is a comprehensive package of measures with a view to promoting the empowerment of developing countries and helping them reap the benefits from the multilateral trading system (Aid for Trade), for example, the implementation of Duty-Free and Quota-Free market access for essentially all products originating from all least developed countries (LDCs), and various supports through Official Development Assistance (ODA). Japan has steadily implemented its commitments in the “Development Initiative for Trade” regardless of the progress of the Doha Round negotiations. (See Attachment 1).

**Q1.2 If your Aid for Trade Strategy has evolved since 2007, please describe the changes and/or new focuses.**

*Please describe and exemplify.*

Japan co-hosted the 4th Tokyo International Conference on African Development (TICAD IV) in Yokohama in May 2008. In the TICAD IV, the Japanese government pledged to double its ODA to Africa by 2012. As the focused area of cooperation concerning AFT, firstly, Japan is supporting regional infrastructure development for the facilitation of cross-border procedures (One Stop Border Post), and the development of distribution and transmission lines in the power infrastructure. Secondly, Japan is promoting trade and investment by providing financial support, and by dispatching joint public-private sector missions. Japan has steadily implemented these measures, and will hold a ministerial follow-up conference in March in Botswana. (See Attachment 2)

**Q1.3 Have you articulated a set of best practices in the design and/or delivery of Aid for Trade?**

Yes

No

Not sure/Not applicable

**If yes, what form does this best practice guidance take?**

*Please describe and exemplify.*

On the occasion of the symposium on AFT held at WTO in Geneva in September 2008, a Japanese delegate made a presentation explaining that AFT should be carried out, taking into account Japan’s best practices in Asia (Indonesia, Cambodia, Vietnam, and the Mekong area), and Africa (Zambia, Zimbabwe, Kenya, Tanzania, TICAD), by putting emphasis on the regional approach, by considering regional economic integration trends, and by mainstreaming trade into national development strategies. The presentation is available at the WTO website. (See Attachment 3).

## 2 HOW MUCH AID FOR TRADE DO YOU PROVIDE?

### For CRS Reporting Donors

**Q2.1 Does the attached CRS profile accurately reflect the volume of your Aid for Trade?**

Yes

No

**If no, please provide further details of your Aid for Trade activities for 2006 and 2007.**

*Please add any data that are missing in their appropriate CRS categories, including those activities that should be considered as Aid for Trade under the category of "Other Trade-related Needs" and describe, if applicable, the method used to identify trade-related activities in the relevant CRS categories. Please also provide any activities that may fall under the new category of "Trade-related Adjustment" for 2006.*

As its contribution to AFT, Japan provided 4.6 billion dollars (56% of the total ODA) in 2006 and 4.4 billion dollars (49% of the total ODA) in 2007, based on the CRS statistics elaborated by the OECD. Regarding technical assistance, Japan dispatched 2,003 experts to developing countries and accepted 11,482 trainees from developing countries in 2006. Japan also dispatched 2,578 experts and accepted 14,780 trainees in 2007. (See Attachment 4).

### For non-CRS Reporting Donors

**Q2.1 How much Aid for Trade did you provide in each of 2006 and 2007?  
Please also indicate the volume as percentage share of your total ODA.**

*Please use the WTO Task Force definition and include estimates of the value of in-kind Aid for Trade such as technical cooperation programmes.*

### For All Donor Agencies

**Q2.2 Do you have indicative forward spending plans that include estimates on Aid for Trade?**

Yes

No

Not sure/Not applicable

**If yes, please provide details of your indicative forward Aid for Trade spending plan.**

*Please delineate the plan per Aid for Trade category.*

### For Donors who had made Aid for Trade pledges

**Q2.3 Please describe how you are meeting your pledges? And how much progress in delivering your final pledges do you expect to have made in 2008 and 2009?**

Please provide details and evidence in accordance with your accountability mechanism.

1. Under the "Development Initiative for Trade" that Japan announced in December 2005, Japan made

pledges of AFT as follows:

- (1) 10 billion dollars of financial assistance over the next three years (2006 – 2008)
  - (2) Exchange of a total of ten thousand trainees and experts.
2. As stated in the answers to Q2.1, although the statistics on Japan’s contribution to AFT in 2008 are not available yet, Japan has almost achieved these pledges on the assumption that almost the same level of additional contribution will be expected in 2008. The year 2009 and the following years are not covered as a period of Japan’s AFT pledges, but Japan intends to continue its economic cooperation to developing countries proactively under the Development Initiative for Trade. Japan has explained its position on AFT at the 4th TICAD held in Yokohama in May 2008 and at the APEC ministerial meeting held in Lima in November 2008. In accordance with such positions, we will also increase multilateral contributions for AFT through international organizations such as EIF, WCO and ITC and we have utilized our voluntary contribution fund of ADB for AFT projects in Asia. Furthermore, Japan is now reinforcing its efforts in trade finance and related fields in order to tackle the global financial crisis since last fall.

#### *For Multilateral Donors*

#### **Q2.4 Please describe how funding for your Aid for Trade activities is evolving**

[e.g. share of activities funded from your agency's core (regular budget) vs. non-core (earmarked) resources, including multi-donor funds; likely trends in these categories].

Please describe.

*Please feel free to provide any other relevant information in relation to the volume of your Aid for Trade.*

### **3 IMPLEMENTATION: HOW ARE YOU DELIVERING AID FOR TRADE?**

#### **Mainstreaming and Ownership**

#### **Q3.1 What measures have you undertaken to mainstream Aid for Trade in your overall assistance strategy?**

*Please describe and exemplify.*

In order to mainstream AFT in Japan’s overall assistance strategy, our principal aid policies were elaborated through close consultation among the officials in charge of aid policies, for instance those in charge of trade, industry, customs, tariff, agriculture, SPS, and finance. For example, the “TICADIV Yokohama Declaration” and “Yokohama Action Plan” prescribe (1) for the promotion and expansion of Trade, and (2) for the development of an infrastructure network as target fields of Japan’s future aid, referring to AFT and Japan’s Development Initiative for Trade.

#### **Q3.2 In how many of the partner countries you support, are Aid for Trade concerns an important part of your policy dialogue with them (based on your best estimate)?**

<input type="checkbox"/> less than 25%	<input checked="" type="checkbox"/> 25% to 50%	<input type="checkbox"/> 50% to 75%	<input type="checkbox"/> above 75%	<input type="checkbox"/> Not sure / Not applicable
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**Q3.3 How many of your country assistance strategies contain trade or Aid for Trade elements (based on your best estimate)?**

<input type="checkbox"/> less than 25%	<input checked="" type="checkbox"/> 25% to 50%	<input type="checkbox"/> 50% to 75%	<input type="checkbox"/> above 75%	<input type="checkbox"/> Not sure / Not applicable
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**Q3.4 Has demand for Aid for Trade increased from partner countries since 2005?**

<input type="checkbox"/> Significantly increased	<input checked="" type="checkbox"/> Increased	<input type="checkbox"/> Little / no change	<input type="checkbox"/> Declined	<input type="checkbox"/> Not sure / Not applicable
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**If increased, from which countries / regions, and for which Aid for Trade categories / sectors?**

*Please describe and exemplify.*

Demands for AFT from African countries have increased, especially in the field of the development of infrastructure such as road networks, and the facilitation of cross-border procedures such as One Stop Border Posts (OSBP). This is because the principal aid sectors for Africa have been food, health and other basic human needs, while AFT has been considered as a main aid sector for Asia and other regions.

**If increased, what steps have you taken to strengthen your capacity to respond to increasing demand for Aid for Trade from partner countries? Tick the box of all that apply:**

<input checked="" type="checkbox"/>	Increased aid resources
<input checked="" type="checkbox"/>	Strengthened in-house trade expertise
<input type="checkbox"/>	Improved training, tool-kits and/or guidelines for Aid for Trade programming
<input checked="" type="checkbox"/>	Increased awareness among policy-makers and practitioners at the HQ and the field
<input type="checkbox"/>	Strengthened political commitment
<input type="checkbox"/>	Increased coordination among donors (e.g. joint assessment, joint delivery, etc.)
<input type="checkbox"/>	<i>Please feel free to add other steps you have taken</i>

***Please feel free to provide any other relevant information in relation to mainstreaming and ownership.***

In addition, the Japanese government took the following measures during 2007 - 2008 in order to raise awareness about AFT.

- (1) Sent instructions to Japanese embassies to enhance the implementation of the projects of AFT.
- (2) Briefed new ambassadors designate to embassies in developing countries.
- (3) Issued and distributed the e-mail magazing on AFT to about 4,500 subscribers (officials in charge of trade policy, academics, the press, and the public.

**Working with Others: Harmonisation and Alignment**

**Q3.5 In how many of the partner countries you support, have you contributed to the following joint donor initiatives?**

	< 10%	10-30%	> 30%
Joint needs assessment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Joint Aid for Trade strategy formulation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Joint Aid for Trade programme	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pool funding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint monitoring and evaluation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Delegated cooperation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Q3.6 Do you have a specific approach to South-South and/or trilateral cooperation in Aid for Trade?**

Yes       No       Not sure/Not applicable

**If yes, what are its key elements or particular focuses?**

*Please describe and exemplify.*

To promote South-South Cooperation, Japan has provided third-country training - by utilizing cooperation bases within Africa - for the bases' neighboring countries. In particular, Asia-Africa Cooperation is one of Japan's unique ways of cooperation in that it utilizes, for Africa, the knowledge and the experience of Asian countries that have achieved growth through the support of the economic cooperation provided by Japan. Under the South-South Cooperation, distinctive AFT projects have also been carried out, such as (1) the Malaysian proposals on improving investment environment in Zambia, and (2) the promotion of private trade and investment through the Africa-Asia Business Forum.

**Q3.7 How much of your Aid for Trade is aligned with your partners' country systems (based on your best estimate)?**

less than 25%       25% to 50%       50% to 75%       above 75%       Not sure / Not applicable

*Please feel free to provide any other relevant information in relation to harmonisation and alignment.*

In order to improve harmonization and alignment, Japan has strengthened the collaboration between “Development Initiative for Trade” and “the Enhanced Integrated Framework” (EIF) by sending instructions to Japanese embassies.

#### 4 MONITORING RESULTS, EVALUATION AND MUTUAL ACCOUNTABILITY

**Q4.1 Does your Strategy include specific monitoring and evaluation guidelines for Aid for Trade programmes?**

Specific to Aid for Trade

Generic guidelines

**If you do have specific guidelines, please provide the details of your Aid for Trade M&E framework. How often do you review progress towards your strategy objectives? Who do you report to?**

*Please describe and exemplify.*

**Q4.2 Do you regularly monitor the potential trade impact of your aid projects / programmes?**

Yes

No

Not sure/Not applicable

**If yes, please describe how.**

*Please describe and exemplify.*

Regarding the ODA projects and programmes including AFT cases, Japan International Cooperation Agency (JICA) carries out project-level and programme-level evaluations and monitorings on a regular basis. For example, JICA conducts evaluations on loan projects including those in the field of improving industrial infrastructure at each stage of the project cycle: ex-ante, mid-term, terminal, and ex-post.

**Q4.3 Do you have plans to improve the evaluation of your Aid for Trade programmes?**

*Please describe and exemplify.*

Japan has been improving its methodologies for evaluating ODA projects including AFT cases. For instance, Japan has examined and revised its evaluation guidelines three times. Currently, the 5th version of the evaluation guidelines is being drafted.

**Q4.4 Have you carried out or do you plan to carry out an impact assessment of your Aid for Trade programmes?**

Yes: please indicate when: [0/0]

No

Not sure/Not applicable

**Q4.5 Do you involve partner country stakeholders in developing measurable objectives/indicators to assess the quality of your Aid for Trade programmes?**

Yes

No

Not sure/Not applicable

**If yes, please describe the indicators used.**

Please describe and exemplify.

[At the OECD Policy Dialogue held in November 2008, participants from both donor countries and partner countries discussed the indicators for assessing AFT projects. Japan has actively participated in the dialogues about this theme in various fora. ]

**Q4.6 Have you undertaken joint evaluations of your Aid for Trade with your partner country stakeholders?**

Yes  No  Not sure/Not applicable

**If yes, please describe when and the results of the evaluation.**

Please describe and exemplify.

Japan undertook a joint evaluation with Vietnam on Japan's ODA program for the transport infrastructure development in the Red River delta area of Vietnam during 2005-2006. The evaluation can be found at the MOFA website: <http://www.mofa.go.jp/policy/oda/evaluation/index.html>

**Please feel free to provide any other relevant information in relation to monitoring, evaluation and mutual accountability.**

Japan carries out evaluations at various levels (policy, program, sectoral, and project-levels) by various evaluations, targeting wide-ranging ODA issues including AFT. For example, in 2007, Japan assisted the Government of Sri Lanka in carrying out an evaluation on Japan's ODA in the road and bridge sector in Sri Lanka, in which the impacts on economic and social development of the development of roads and bridges were assessed. Also, Japan supported the Government of El Salvador in carrying out an evaluation of Japan's cooperation in El Salvador's eastern region, focusing on the development of infrastructure, distribution bases and manufacturing sectors as the main theme. Japan has been conducting effective and timely evaluations with a view to improving the quality of ODA projects and programmes, including an assessment of the impact on economic and social development of AFT projects.

**5 REGIONAL DIMENSION**

**Q5.1 How important is the regional dimension in your Aid for Trade strategy?**

Essential element  Important element  Minor element  Not present  Not sure / Not applicable

**If essential or important, please describe how your Aid for Trade strategy addresses regional challenges.**

Please describe and exemplify.

Japan has carried out AFT not only at country level but also at a sub-regional level. Considering trade as bilateral and multilateral transactions, it is preferable to attach importance to the regional approach, for example, taking account not only of the economic conditions of a partner country but also its trade relationships with neighboring countries. It is also essential to take into full consideration the trend of regional integration which has made such remarkable progress in recent years.

**Q5.2 Which of the following factors are important for determining whether or not to support particular regions or regional programmes? Please list in the order of importance.**

Relevance to ongoing regional trade agreements / negotiations  
 Regional proximity / support to neighbouring regional economic integration processes

<input type="checkbox"/>	Cultural, linguistic or historical ties with the region
<input type="checkbox"/>	Existence of a viable counterpart at regional level
<input checked="" type="checkbox"/>	Request for assistance from a regional body
<input type="checkbox"/>	Availability of a clearly defined regional development strategy
<input type="checkbox"/>	Geographical concentration of donor activities
<input type="checkbox"/>	<i>Other, please describe</i>

**Q5.3 By how much has the volume of your regional Aid for Trade increased since 2005?**

<input type="checkbox"/> Declined	<input checked="" type="checkbox"/> By less than 5%	<input type="checkbox"/> By 5 to 15%	<input type="checkbox"/> By 15 to 30%	<input type="checkbox"/> More than 30%
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**Q5.4 In which assistance categories are you particularly active at regional level?**

	Frequently	Occasionally	Rarely	Not sure / Not applicable
Training (trade negotiations/WTO rules)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Trade facilitation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development of cross-border infrastructure	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Capacity building of regional organisations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Other, please describe and exemplify :*

At a regional level, Japan is actively carrying out projects for cross-border infrastructure development and technical cooperation such as the development of “Cross Border Transportation Infrastructure” in the Great Mekong Sub-region (CBTI), improvement of international trunk roads and related technical assistance in Africa, and construction of One Stop Border Posts in Africa. Japan took into account the fact that in these regions, economic and regional integration (FTA, EPA, Custom Union) has progressed.

**Q5.5 What are the most important challenges in implementing regional Aid for Trade?**

Please list in the order of importance.

<input checked="" type="checkbox"/>	Lack of (or weak) articulated demands for regional Aid for Trade
<input type="checkbox"/>	Lack of coherence between national and regional priorities
<input type="checkbox"/>	Lack of credible lending authorities at regional level
<input checked="" type="checkbox"/>	Lack of effective coordination at regional level
<input type="checkbox"/>	Difficulties of monitoring and evaluating results at regional level
<input type="checkbox"/>	Lack of credible mutual accountability mechanisms at regional level
<input type="checkbox"/>	<i>Other, please describe and exemplify</i>

**Q5.6 Has the demand for regional Aid for Trade increased since 2005?**

<input type="checkbox"/> Significantly increased	<input checked="" type="checkbox"/> Increased	<input type="checkbox"/> Little / no change	<input type="checkbox"/> Declined	<input type="checkbox"/> Not sure / Not applicable
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**If yes, in which regions and for which activities has it increased the most?**

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*Please describe and exemplify.*

1. There are no precise statistics on Japan's regional AFT on a recipients' demand basis. However, there has been a remarkable increase in demand for Japan's AFT from African countries, for example regional infrastructure development, promotion of trade and investment (by financial support, and dispatching joint public-private sector missions).
2. The following are the background of the trend mentioned above:
  - (1) The demands for AFT have increased just as overall Japan's ODA to Africa has increased since TICADIV.
  - (2) Up till, now Basic Human Needs (BHN) has been the priority sector for aid to Africa whereas AFT for Africa has not usually been as important as it is for Asian countries.

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***Please feel free to provide any other relevant information in relation to regional Aid for Trade.***

OECD statistics show that AFT has been distributed to Asia more than to other regions. Japan is the largest AFT donor country(2006), and the Asia (especially India, Indonesia, and Viet Nam) is the largest AFT recipient region. Therefore, Japan and partner countries in Asia have lots of experience and have evolved many good practices. In this sense, Asia is the show-case of the AFT. Japan will continue to contribute to AFT in the Asian region as a major donor (See Attachment 3) and share its successful and useful experience with donors and partner countries in other regions. Japan also intends to participate in the dialogues for the promotion of AFT at the AFT meeting to be held in Manila in March 2009.

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# “Development Initiative for Trade”

In December 2005, Japan announced the Development Initiative for Trade, a comprehensive package of trade-related measures for assisting developing countries, as Japan's contribution to DDA and AFT, such as:

- (1) Implementation of Duty-Free and Quota-Free market access for essentially all products originating from all LDCs
- (2) Ten billion US dollars of financial assistance in trade, production, and distribution infrastructure will be provided over the next three years
- (3) The exchange of a total of ten thousand trainees and experts in these fields during the same period.

# Duty-Free and Quota-Free market access for LDCs

- ◆ Japan has implemented Duty-Free and Quota-Free market access for essentially all products originating from all LDCs ( 98% at tariff line level) since April 2007.

➔ Import from LDCs increased by 5.4% in 2007 and increased by 30.9% in 2008  
(compared with the same period (Apr.-Dec.) in 2006)

# Financial assistance

- ◆ Japan provided 4.6 billion USD (56% of total ODA) in 2006
- ◆ Japan provided 4.4 billion USD (49% of total ODA) in 2007 (source: OECD CRS)

➡ Almost the same level of additional contribution will be expected in 2008, too.

➡ It is certain that Japan will be able to implement the pledge of 10 billions USD during 3 years.

# Ten thousand trainees and experts

- ◆ Japan dispatched 2,003 experts to developing countries and accepted 11,482 trainees from developing countries in 2006.
  - ◆ Japan also dispatched 2,578 experts and accepted 14,780 trainees in 2007.
- ➡ Japan has already implemented the pledge of ten thousand trainees and experts during only 2 years.

# Next Steps

1. Japan intends to continue its economic cooperation to developing countries proactively under the Development Initiative for Trade.
2. Japan will make efforts to mainstream AFT into national development policy, through the discussion at APEC in Japan(2010) and the other fora.
3. Japan will also participate actively, in the international efforts to improve AFT by improving monitoring, evaluation and coordination.
4. Furthermore, Japan is now reinforcing its efforts in trade finance and related fields in order to tackle the global financial crisis since last fall.

# Japan's initiatives at TICADIV

➤ Doubling ODA without debt relief to Africa by 2012 including doubling bilateral Grants

## Focused areas of cooperation

### ● Support regional infrastructure development to connect Africa (\*)

- Development of regional road networks, and facilitation of cross-border procedures such as One Stop Border Post (14 points)
- Development of distribution/transmission lines for development of power infrastructure



### ● Agriculture/Food (\*)

- Emergency Food Aid worth US\$ 100 million between May and July 2008 (mainly targeting Africa)
- Increase agricultural productivity, including doubling rice production in Africa, development/rehabilitation of irrigation facilities and new crop varieties, and capacity building for 50,000 agricultural leaders



(\*) Up to US\$ 4 billion ODA loan with special focus on infrastructure and agricultural development

### ● Promote trade and investment

- Assist doubling foreign direct investment from the Japanese private sector to Africa, up to US\$ 3.4 billion by the end of 2012
- Financial support of US\$ 2.5 billion including the establishment of JBIC Facility for African Investment
- Dispatching joint public-private sector missions for trade and investment



## ● Community Development

- Promote One Village One Product Movement in 12 countries
- Promote AMV (African Millennium Village) in 12 countries



## ● Education

- Construction of 1,000 primary schools with approx. 5,500 classrooms
- Training of 100,000 teachers in math and science
- Improve the management of 10,000 schools through the local community participation (“School for All”)



## ● Health

- New pledge to the Global Fund (US\$ 560 million)
- Training of 100,000 health workers
- Improvement of maternal, newborn and child health
  - Saving the lives of 400,000 children
  - Improvement of maternal health and reproductive health care



## ● Water

- Development of water facilities to provide safe drinking water to 6.5 million people
- Capacity building of 5,000 water managers/users
- Dispatching Water Security Action Teams to countries to conserve precious water resources



## ● Cool Earth Partnership

- A total of US\$ 10 billion to be disbursed globally over 5 years



# Monitoring at the Country and Subregional Level

Expert Symposium on Evaluation Identifying  
Indicator for Monitoring Aid for Trade

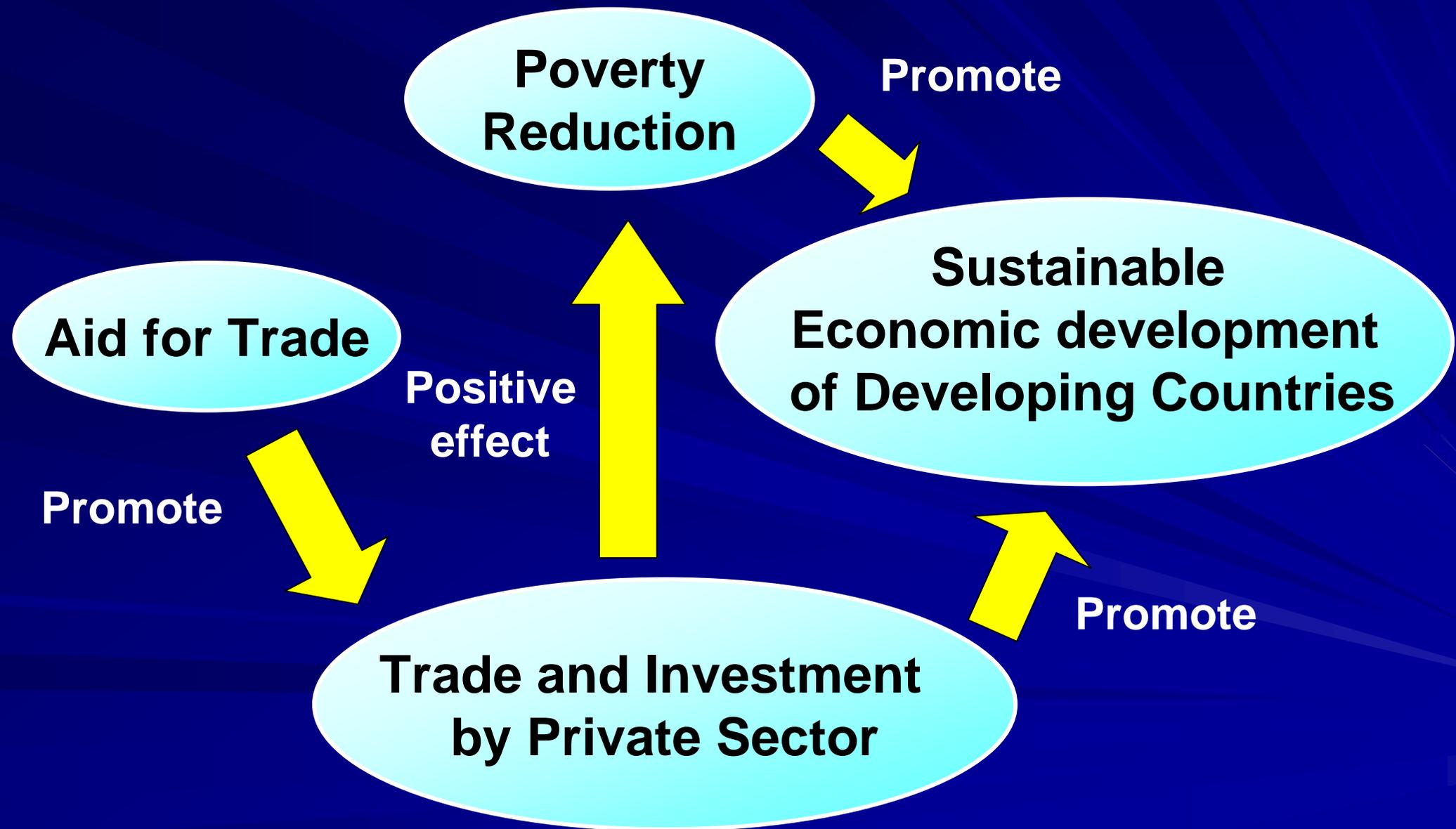
15-16 September 2008 Geneva

Toshiro Iijima  
Director, International Trade Division  
Ministry of Foreign Affairs of Japan

# Japan's position on Aid-for-Trade

- Definition of Aid-for-Trade should be a broad one.
- Aid-for-Trade comprises aid that finances trade-related technical assistance, trade-related infrastructure and aid to develop productive capacity.
- AFT can be a valuable complement to the DDA. However, it cannot be a substitute.

# Aid-for-Trade & Poverty Reduction

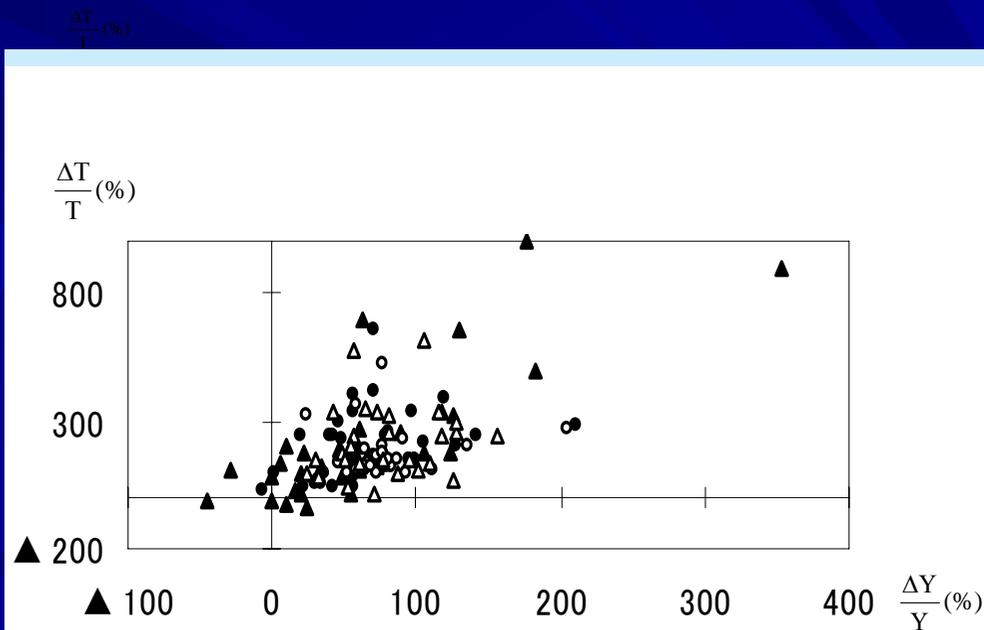
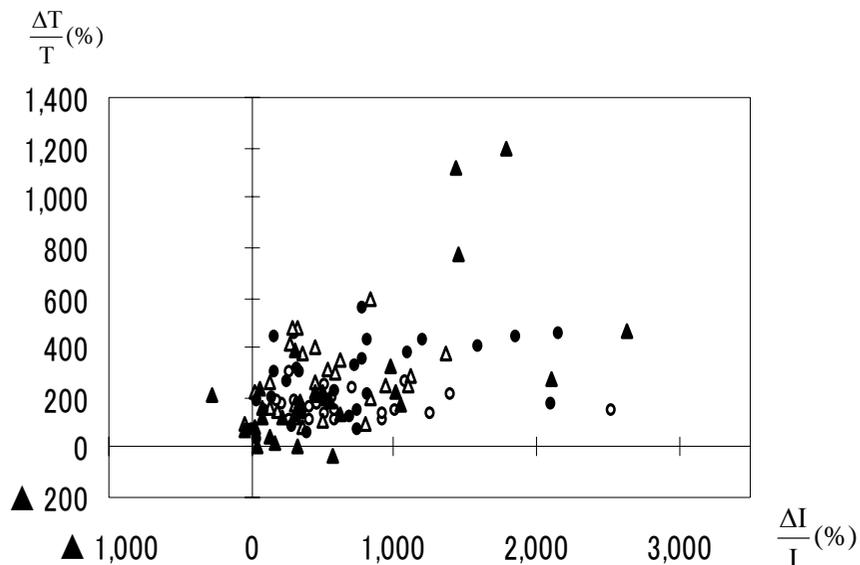


# Trade and Investment and Income

(Growth rate from 1990 to 2005)

## Capital influx and Trade Amount (116 countries)

## Trade Amount and Income level (129 countries)

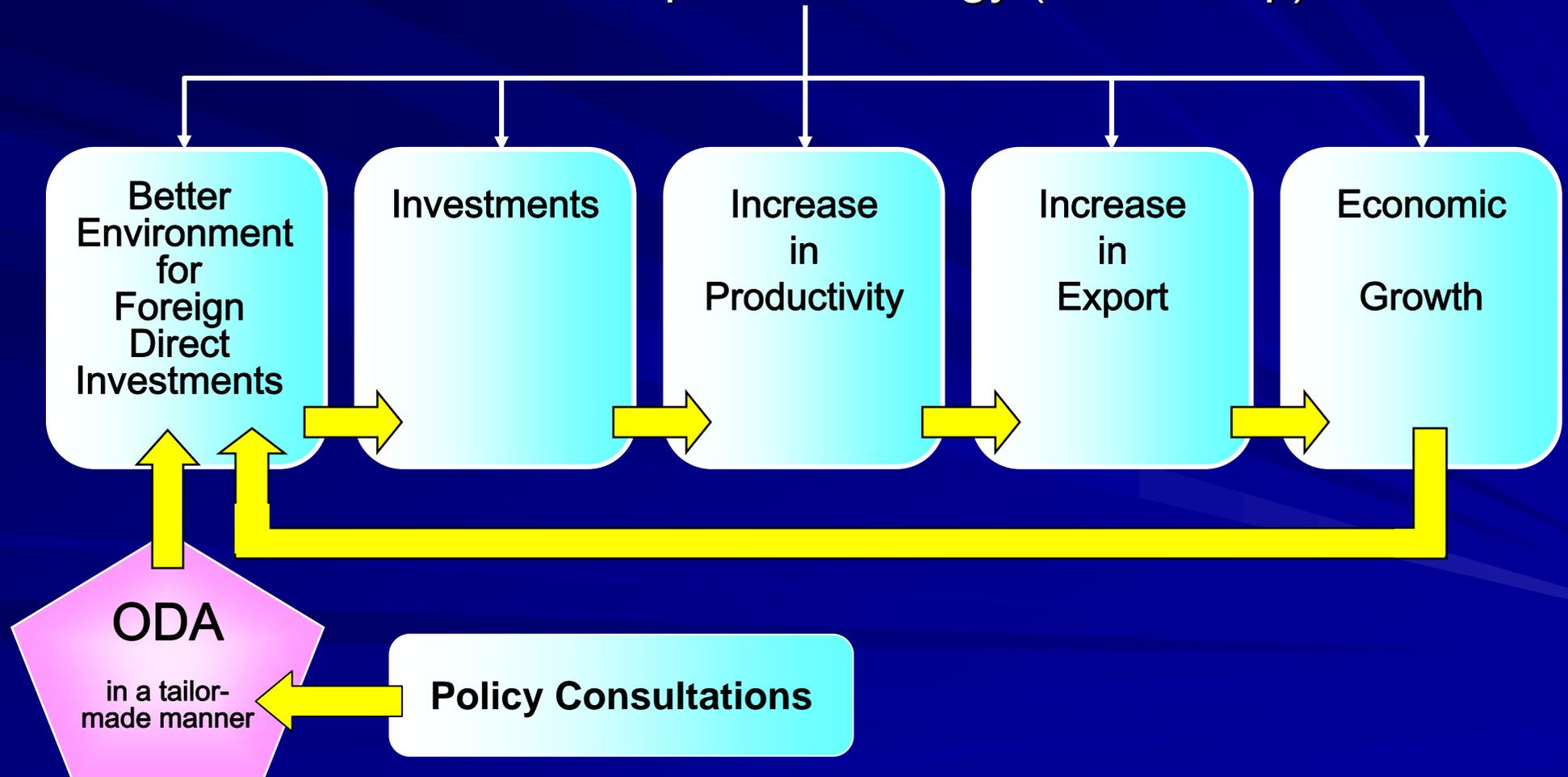


Source : IMF, *Direction of Trade Statistics*, UNCTAD, *World Investment Report*

Source : IMF, *DOTS*, WB, *WDI 2006*

# Economic Growth through Trade (Asian Experience)

National Development Strategy (Ownership)



# Japan's "Development Initiative for Trade"

## 3 Pillars

**PRODUCE**

Supply-side support

**SELL**

Distribution and export support

**BUY**

Positive differentiation of  
LDC products

## Methods

**Knowledge, Technology**

e.g. Technical cooperation

**Financial Assistance**

e.g. • Concessionary loans  
• Grant aid

**People**

e.g. • Dispatch of experts  
• Acceptance of trainees

**Systems**

e.g. • Preferential tariffs  
• Trade and investment insurance

Duty-free and quota-free access for LDCs

Enhancement of productivity

Expansion of marketing channels

Export promotion

Expansion of South-South trade

Support through neighbouring countries

Partnership with NGOs and private sector

Close consultation on assistance with developing countries

# Country Level ~Asia~ Indonesia

## Projects for

- Rehabilitation of the Tanjung Priok Port (2003)
- Construction of the Tanjung Priok Access Road (2004, 2005)



**The Port of Tanjung Priok  
serves as an international gateway  
for raw materials and products**

**Port of Tanjung Priok**



(photo : JBIC)

# Country Level ~Asia~ Cambodia

## Projects for

- Renovation and expansion of the Sihanoukville port (2004,2005)
- Sihanoukville Port SE2 Development (2007)



Promote the introduction of  
FDI and expand trade

Port of Sihanoukville



(Photo : JBIC)

# Country Level ~Asia~ Viet Nam

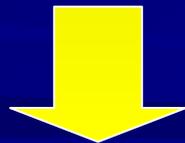
(Most important recipient country of AFT)

- Improvement work on National Highway No.5 (1993, 1995)



(Photo : JBIC)

- Rehabilitation Plan for Haipong Harbor (1993,1999)



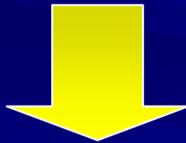
Industrial production growth rate grew rapidly  
8.2 % (1999) → 24.8% (2002) in Hanoi  
17.6% (1999) → 24.9% (2002) in Hai Phong



# Country Level ~Asia~ Viet Nam

## Japan's Contribution to the Improvement in Viet Nam's Investment Climate

- Ishikawa Project (1995~2001)  
Development surveys headed by  
Dr. Shigeru Ishikawa
- Vietnam-Japan Joint Initiative (2003)



FDI increased  
US\$ 3.06 billion (2003)  
→ US\$ 6.02 billion (2006)

- Support for Comprehensive Poverty  
Reduction and Growth Strategy  
e.g. yen loan to finance WB's credit



(Photo : MOF)

# Subregional Level

~CLV (Cambodia, Laos and Viet Nam)~

“From battlefield  
To marketplace”

Regionalization  
EPA, FTA

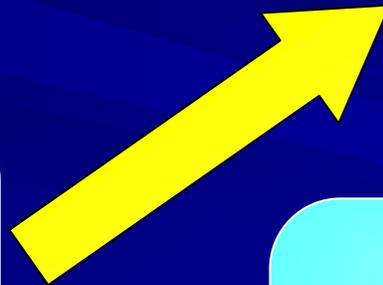
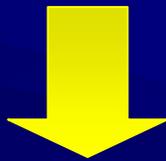
and other regional economic integration

Globalization

- common development objectives
- efficient use of resources

Cross Border Transport Infrastructure

e.g. roads, bridges, ports, airports





# Mekong-Japan Foreign Minister's Meeting (Tokyo January 2008)

## Three Goals

- Sustainable economic growth of the Mekong Region
- Life with dignity for the people in the Mekong Region and fulfillment of their potential
- Enhanced Japan - Mekong Region partnership

## Three Priority Areas

① Integrate  
Economies of  
the Region  
and Beyond

② Pursue Universal  
Values and Common  
Goals of the Region

③ Expand Trade and Investment  
between Japan and the Region

AFT

## Three New Initiatives

1. Expansion of ODA to the Mekong Region
2. Bilateral Investment Agreements with Cambodia and Lao P.D.R.
3. Japan – Mekong Region Ministerial Meeting

# Subregional Level ~Africa~

- **Duty-Free and Quota-Free access for LDCs (2007)**
- **TICADIV in Yokohama (2008)**
  - ▶ **Asian experience**
  - ▶ **Doubling ODA without debt relief to Africa by 2012 including doubling bilateral Grants**

# Subregional Level ~Africa~

## *Japan's initiatives at TICAD IV*

➤ **Doubling ODA to Africa by 2012 including doubling bilateral Grants**

## **Focused areas of cooperation concerning AFT**

### ● **Support regional infrastructure development to connect Africa**

- Regional road networks
- Facilitation of cross-border procedures e.g. One Stop Border Post (14 points)
- Distribution/transmission lines for power infrastructure

### ● **Promote trade and investment**

- Foreign direct investment
- Financial support
- Joint public-private sector missions

## **Other areas**

- Agriculture/Food, Community Development, Education, Health, Water, Cool Earth Partnership

# Subregional Level ~Africa~

**Undeveloped Infrastructure  
from road to passing customs**

1. Lack of infrastructure for regional agreement and their operations
2. Troublesome procedures that differ from country to country
3. Delays in computerizing documents
4. Undeveloped border facilities

**Solution :  
OSBP  
(One Stop Border Post)**

which allows people to complete customs procedures in one stop by having countries that border each other jointly conduct customs, quarantine and immigration procedures

**NEPAD**  
(New Partnership for African Development)  
refers to Infrastructure as a means  
to promote regional integration

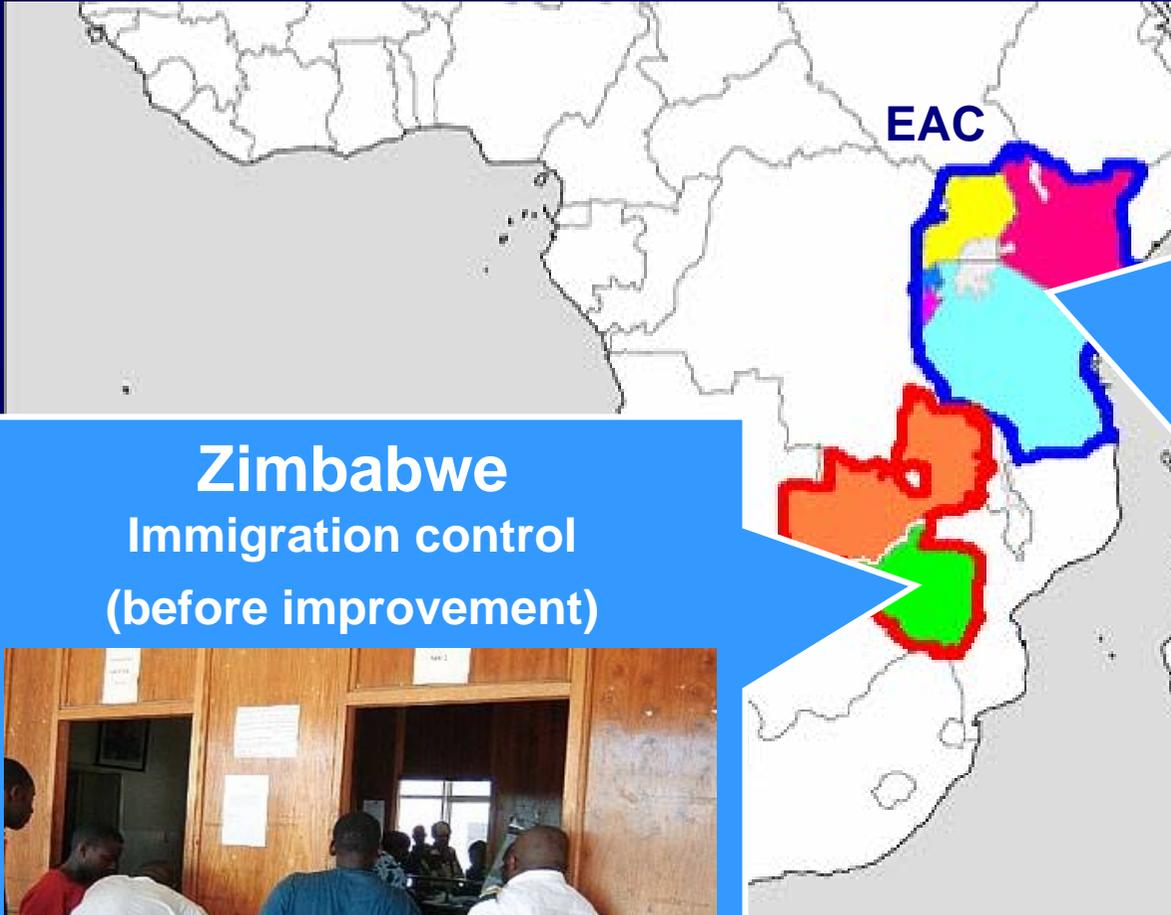
# Subregional Level ~Africa~

## Tanzania – Kenya

International highway running between Tanzania and Kenya planned for improvement



(Photo :JBIC)



**Zimbabwe**  
Immigration control  
(before improvement)



# Conclusions

- In implementing the AFT projects, the external economic relationship of recipient countries, such as EPA/FTA, and other regional integrations should be taken into account.
- Efforts to integrate trade development needs into the design of national development strategies should be made. Such initiatives should be supported.
- It is essential to coordinate these efforts at field level.

### AFT commitment by major DAC countries

(Commitment-Constant2006, US\$million)

	2006	2007
DAC Countries, total	16,171.17	15,794.54
others	3,774.30	3,564.06
<u>France</u>	828.16	1,248.68
<u>Germany</u>	1,876.77	1,495.38
<u>Japan</u>	4,569.08	4,397.51
<u>United Kingdom</u>	602.92	463.86
<u>United States</u>	4,519.95	4,625.05
EC	3,216.57	2,732.64

### Technical Cooperation by Japan

(persons)

	2006	2007
trainees	11482	14780
experts	2003	2578

### DAC exchange rate(1\$=¥)

	2002	2003	2004	2005	2006	2007
	125.2	115.9	108.1	110.1	116.4	117.8

### Regional Distribution of AFT by Major DAC countries

(Commitment-Constant2006, US\$million)

		DAC Countries, total							EC
		others	<u>France</u>	<u>Germany</u>	<u>Japan</u>	<u>United Kingdom</u>	<u>United States</u>		
2006	Africa	3,478.55	1,124.29	432.42	427.52	809.54	203.21	481.57	2,046.86
	(of which: South of Sahara)	1,867.55	662.21	243.87	176.66	243.59	169.07	372.14	1,781.27
	America	1,230.46	249.56	17.28	215.05	413.73	20.28	314.56	289.90
	Asia	8,829.70	780.95	343.35	842.68	3,253.04	225.46	3,384.22	260.19
	(of which: Middle East)	1,941.94	36.38	1.39	5.80	12.96	0.00	1,885.43	92.63
	Europe	1,037.16	563.92	25.89	294.50	7.78	6.79	138.28	376.30
	Oceania	194.04	86.98	0.00	0.44	39.92	1.46	65.24	30.42
	Developing countries unspecified	1,401.27	968.59	9.23	96.58	45.08	145.72	136.08	212.91
Total	16,171.17	3,774.30	828.16	1,876.77	4,569.08	602.92	4,519.95	3,216.57	
2007	Africa	4,479.62	1,340.90	637.38	309.13	879.64	114.02	1,198.54	1,223.90
	(of which: South of Sahara)	3,174.21	951.70	339.73	153.91	608.34	49.12	1,071.41	1,126.49
	America	1,478.36	341.54	111.86	241.68	145.46	7.88	629.94	318.60
	Asia	7,850.83	782.43	473.87	631.79	3,196.78	255.06	2,510.90	213.13
	(of which: Middle East)	1,298.61	83.27	110.34	34.00	21.20	2.96	1,046.84	61.40
	Europe	480.18	135.40	0.35	156.14	25.11	6.18	156.99	601.80
	Oceania	181.12	65.70	6.83	0.87	106.25	0.23	1.24	25.52
	Developing countries unspecified	1,324.44	898.08	18.40	155.77	44.27	80.49	127.44	349.69
Total	15,794.54	3,564.06	1,248.68	1,495.38	4,397.51	463.86	4,625.05	2,732.64	

Aid-for-Trade Proxies: Trade Policy & Regulations, Economic Infrastructure, Building Productive Capacity.

\*Not Including "Trade Related Adjustment".