

1 . JAPAN AND DEVELOPMENT RESULT

(1) Background

call for accountability, pressure on effective and efficient implementation of ODA

(2) Policy making process

development of Country Assistance Programs and Rolling Plans

- consulting with partner countries
- aligned with MDGs, PRSP etc.
- setting targeted results

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(3) Example of aid scheme: Program Loan

budget support to help implement targeted policy actions based on development goals of the partner country

e.g. Climate Change Program Loan for Indonesia

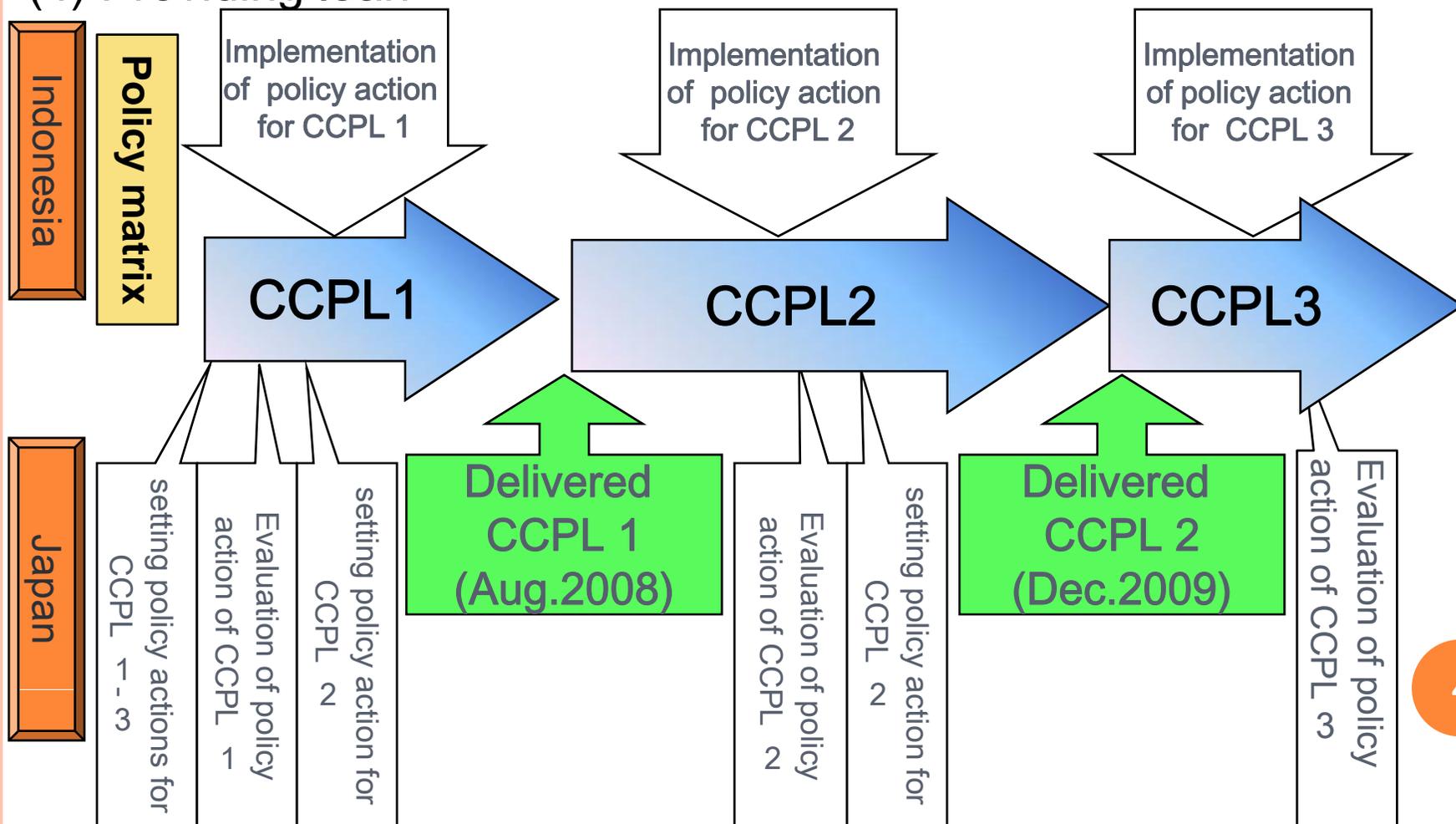
Poverty Reduction Support Credit for Vietnam

2-1. CLIMATE CHANGE PROGRAM LOAN (CCPL) FOR INDONESIA

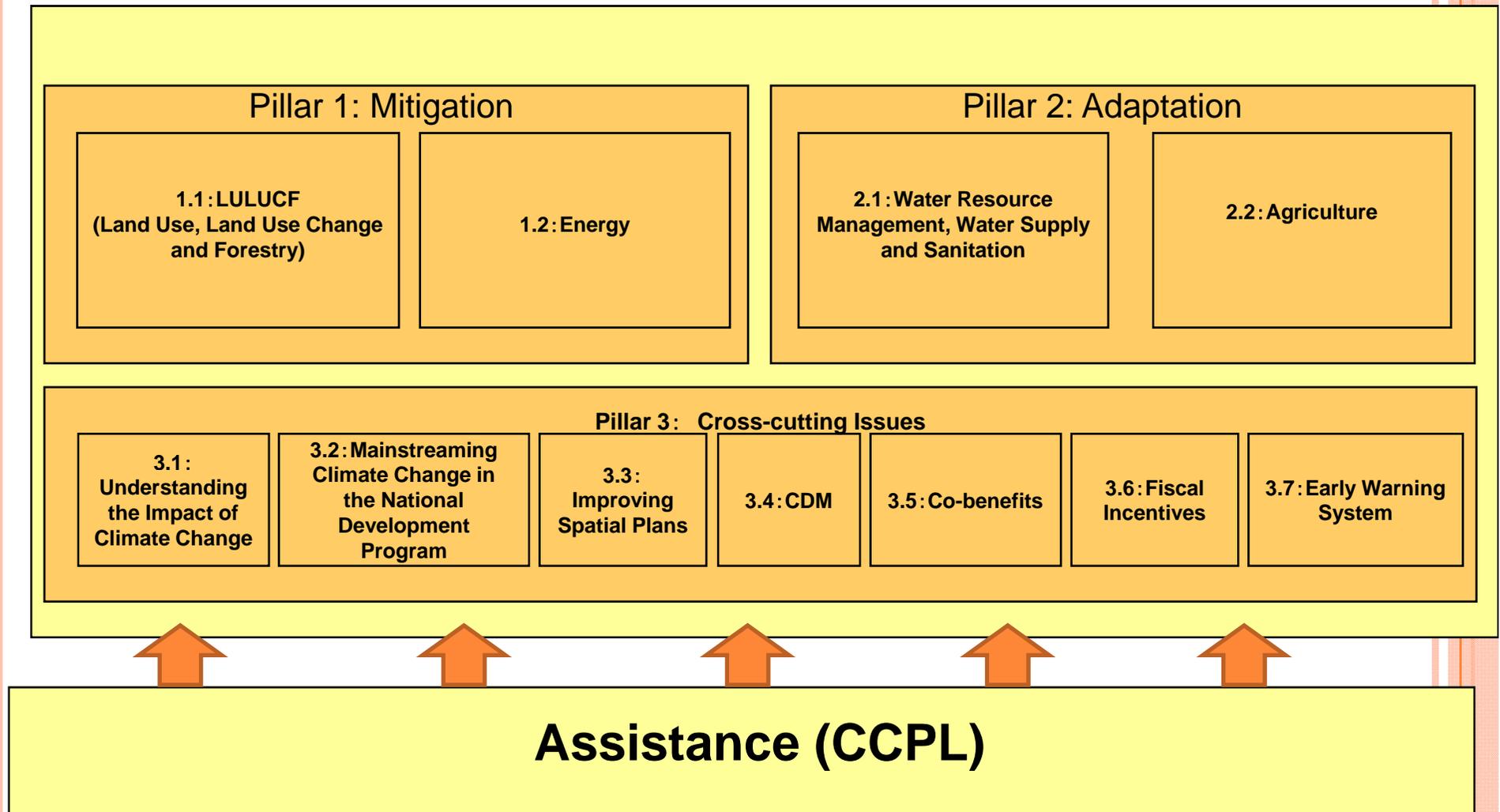
- Loan to support Indonesia's policy actions to achieve concrete outcomes under its "National Action Plan Addressing Climate Change".
- Example of expected outcomes
 - increase of CO2 absorption capacity in the forestry sector
 - increase of geothermal capacity to 9,500 MW in 2025
 - reduction of CO2 emission in power plant as much as 17% per year from Business as usual in 2025 by renewable energy development and energy conservation

2-2. CLIMATE CHANGE PROGRAM LOAN MECHANISM

- (1) Dialogue on measures against climate change between Japan and Indonesia
- (2) Setting concrete policy actions and expected outcomes
- (3) Monitoring implementation of policy actions
- (4) Providing loan



2-3. POLICY MATRIX OF CCPL



2-4. OUTCOMES

- Planned actions for 2007 and 2008 are almost completed.

e.g.

replantation of forest

development of plan for next forest rehabilitation

3. LESSONS LEARNED

- Insufficient data to measure the development result
→ may require support to strengthen statistic capabilities
- Ownership of the partner country is essential
- Importance of dialogue
→ establish shared goals and achievable action plans
- Clear demonstration of results
→ enhanced public accountability
- Importance of human resources → ensure to have enough human resources and capacity
- Provide necessary technical assistance
- Feed back to the future programs