2010 OECD DAC peer review of Japan

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14 July, 2011

ODI seminar “The Future of Japanese ODA”
Overview

- **Background**
  - About the peer reviews in general....
  - and the review of Japan in particular

- **Findings**
  - A few notes on the figures for Japanese ODA
  - What were the big pluses and positive trends?
  - What were the big challenges?

- **Implications for the future of Japanese ODA?**
  - Does Japan have a clear comparative advantage?
  - Communication, communication, communication.
The basics on peer reviews

- A hallmark approach of the OECD
- A condition of being a member of the DAC.
- Conducted roughly every 5 years, 5 per year.
- The “peer” element is crucial
- Dual purpose of accountability and learning – all for the purpose of improving development co-operation
- Limited scope – high level, application of policies and commitments, functioning of systems. Not development impacts.
The 2010 OECD DAC peer review of Japan

- Followed a 2003 review, significant changes since then but also some stability.
- In 2010 the reviewing countries were Denmark and Germany.
- We visited Tokyo in Autumn 2009 followed by Bangladesh and Kenya.
- We interviewed Japanese officials, partners, implementers and stakeholders. Also desk review, statistical analysis, further telephone interviews.
Fluctuations in the volume of Japanese ODA

Japanese ODA over time: Overall size, fluctuations and the multilateral bilateral split

Source: OECD DAC statistics
Geographic shifts in Japanese ODA?

Net 2003-04

- Sub-Saharan Africa
- Other Asia and Oceania
- Europe

Net 2008-09

- South and Central Asia
- Middle East and North Africa
- Latin America and Carribean
Only a slight shift in the loan to grant ratio

Source: OECD DAC statistics
Units – USD constant
Findings 1 – good practices and trends

- A clearer strategic vision
- Consistency and reliability
- Debt sustainability
- Thinking and acting big, by country not channel
- Organisational consolidation
- Increased engagement in aid co-ordination mechanisms
- Building metaphorical bridges
- Engagement from Japanese civil society
Findings 2 – the challenges

- Making sure aid is untied, and genuinely demand driven.
- Implementing new good practices across the system.
- Getting the benefits out of the new JICA. Doing more to increase efficiency of business processes and field orientation.
- Communicating about Japanese aid, and making the Japanese voice heard in international fora.
- Beyond aid – policy coherence for development.
Implications for the future?

- **Comparative advantage**
  Identifying Japanese aid’s comparative advantage
  The relevance of size, history and geography

- **Communication**
  Japan can get better at portraying Japanese aid to the Japanese tax payer and to the world
  The need to identify what constrains Japan in communicating about Japanese aid better
For more information

www.oecd.org/dcd

Key references:

OECD DAC Peer review of Japan, 2010
OECD DAC Peer review of Japan, 2003
OECD DAC statistical databases: CRS, DAC, QWIDS