

I. Basic Approach

1. Background

- The international community is **at a historic turning point**, facing **compound crises**, including: (1) Worsening global challenges such as climate change and infectious diseases, (2) Serious challenges to the free and open international order and growing risks of fragmentation, (3) Blow to developing countries and humanitarian crises coupled with (1) and (2).
 - Loans by emerging donors that disregard debt sustainability are not contributing to the growth of developing countries. **Coordinated cooperation based on transparent and fair rules** is required.
 - Efforts to **collaborate with various actors** including private companies and civil society organizations and to **mobilize new funds** are of growing importance.
- ⇒ In order to overcome the crises, the international community must work together by transcending differences in values. Japan is positioned to lead such cooperation with **increased emphasis on the role of development cooperation**.
- ⇒ Japan reviews the Charter to present new direction for development cooperation in order to make a further **effective and strategic use of development cooperation** as one of the most important tools of its diplomacy.

2. Objectives of Development Cooperation

- (1) To work together with developing countries to address their development challenges and global issues common to all humankind based on equal partnerships, **and to contribute even more proactively to the formation of a peaceful, stable, and prosperous international community under a free and open international order based on the rule of law**.
- (2) At the same time, while creating an international environment favorable for Japan and the world and maintaining and strengthening foreign relations based on trust, **to contribute to the realization of national interests**, such as securing peace and security for Japan and its people and achieving further prosperity through economic growth.

3. Basic Policies for Japan's Development Cooperation

(1) Contributing to Peace and Prosperity:

- Japan will adhere to non-military cooperation and actively contribute to ensuring peace and prosperity of the international community.

(2) Human security in the new era:

- Japan will continue to position human security as a guiding principle. We will focus on "investment in people" for the dignity and self-reliance of individuals and strengthen solidarity among various actors.

(3) Co-creation of social values through dialogue and cooperation with developing countries:

- Japan aims to create social values together with developing countries as equal partners. Such new value and solutions will also be brought back to the Japanese society, leading to the growth of its economy.

(4) Leading the dissemination and implementation of international rules and guidelines based on inclusiveness, transparency, and fairness:

- Japan will lead the dissemination and implementation of rules and guidelines for development cooperation, such as inclusiveness, transparency, and fairness

II Priority Policies

(1) “Quality growth” and poverty eradication in the new era:

- “Quality growth” is becoming increasingly important. We will work on growth with inclusiveness including vulnerable groups, sustainability in terms of climate change and debt, and resilience including through economic diversification.
- Japan will address challenges such as digital transformation and food and energy security, which would also **contribute to Japanese economy** including through enhancement of resilience and diversification of supply chains that are important for Japanese companies' overseas expansion as well as diversifying suppliers of critical mineral resources.

(2) Realization of peaceful, secure, and stable societies, and maintenance and strengthening of a free and open international order:

- Peace and stability in societies of developing countries' are prerequisites for quality growth. Japan will continue to support strengthening of governance, humanitarian assistance and peacebuilding, maritime security capacity building, amongst others. In particular, Japan will promote efforts under **the vision of a Free and Open Indo-Pacific (FOIP)**.

(3) Addressing increasingly complex and serious global issues:

- Japan will accelerate **efforts to achieve the SDGs** including climate change (enhancing developing countries' capacity to cope with mitigation and adaptation), environment, health, disaster prevention, education, amongst others, and aim to contribute to **international discussions looking beyond 2030**.

III Implementation

1. Three evolved approaches for effective and strategic development cooperation

- In order to advance above-mentioned priority policies and others, we set the following approaches **to evolve ODA**.
- (1) **Solidarity** with various actors including the private sector, international organizations, public financial institutions, other donors, and civil society to realize **co-creation**. Promote expansion of a wide range of financial sources for ODA. Introduce **ODA for private finance mobilization** to attract private investment such as impact investment.
- (2) Further strengthen strategic use of ODA through proactive cooperation such as new **“offer-type” cooperation** leveraging Japan's strengths.
- (3) **Review of the system** including implementation of flexible financial cooperation, expediting decision-making in line with the private sector, and improving emergency assistance.

2. Implementation Principles for Ensuring Appropriateness of Development Cooperation

- While maintaining the four principles, namely, 1) attention to democratization and human rights in recipient countries, 2) Non-military principles (Avoidance of any use of development cooperation for military purposes or for aggravation of international conflicts), 3) attention to military expenditures in recipient countries, and 4) consideration to environmental impact by development projects, the following principles are newly introduced.
- (1) Principle of **debt sustainability** (consideration of debt sustainability of developing countries and strengthening of their capacities)
- (2) Principle of **promoting an inclusive society including gender mainstreaming** and ensuring fairness

3. Reinforcement of implementation architecture and foundation

- Being mindful of the **0.7% ODA/GNI target** and fully recognizing its extremely severe fiscal situation, **expand ODA in various ways** and make necessary efforts to enhance the foundation for implementation of development cooperation based on 1. and 2. above.

(1) Implementation Architecture:

- Strengthen collaboration between the Ministry of Foreign Affairs (including diplomatic missions abroad), which plays a central role in planning and formulating development cooperation policies, and relevant ministries and agencies. Strengthen collaboration between the Ministry of Foreign Affairs (MOFA) and JICA, such as JICA implementing projects in line with the policies indicated by MOFA.

(2) Human and Intellectual foundation:

- Industry, government and academia will work together to recruit and foster human resources in new development fields (DX/GX, finance, etc.). Japan will promote policy research and networking with partners such as research institutes in Japan and abroad.

(3) Social foundation:

- The Ministry of Foreign Affairs of Japan and JICA will work in unison and in cooperation with local governments to appeal the significance and outcomes of Japan's development cooperation projects to a wide range of citizens both at home and abroad. Also promote education on international cooperation at school.

4. Report on the implementation of Development Cooperation

- The status of implementation will be informed in the White Paper on Development Cooperation, which is reported annually to the Cabinet.