

JICA's Sustainability Management

Mainstreaming Synergetic Responses to the Triple Planetary Crises (Climate Change, Biodiversity Loss and Pollution) in International Development

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About JICA

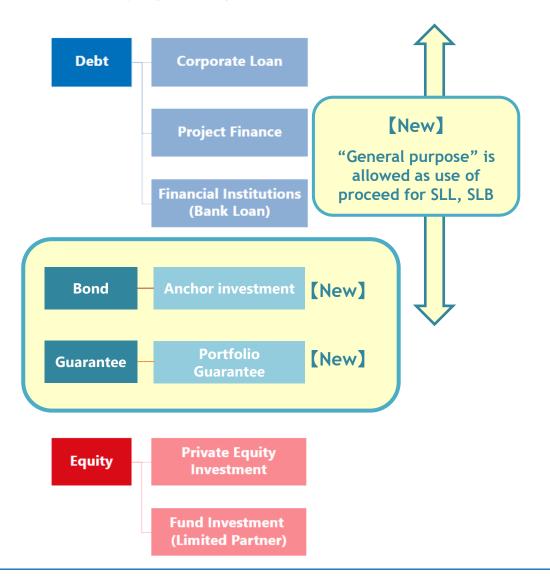
Leading the world with trust JICA, with its partners, will take the lead in forging bonds of trust across the world, Vision aspiring for a free, peaceful and prosperous world where people can hope for a better future and explore their diverse potentials. One of the world's largest bilateral aid agency that plays a core role in Japan's Official Development Assistance (ODA). 100% owned **Profile** Capital Ratio **Credit Ratings** Established Offices by the 60% by JICA Act 97 Overseas A1 / Moody's Japanese in 2003 A+ / S&P 15 Domestic (as of Mar 2024) Government Sovereign Technical Cooperation / Hands-on cooperation and policy advisory \$ 1.2B (FY 2023) services to improve institutional frameworks and human resource development Grant Aid / Assistance in the form of grants with no repayment obligations to \$ 1.0B Main provide goods and services Arms of **Operation ODA Loans** / Sovereign-based lending with concessional conditions \$14.1B Private Private-sector Investment Finance (PSIF) / Lending, equity \$ 2.3 B (FY 2023) investment, etc. to private-sector entities



Amendment of JICA Act – New Products for Private Capital Mobilization

- ▶ 9 April, 2025, amended JICA act passed the Japanese parliament.
- In addition to the current products of lending and equity investment, <u>bond subscription</u> and <u>guarantee</u> are added as JICA's new financial products.
 - Bond subscription by JICA can be a trailblazer for issuers with limited track record. JICA mainly subscribes GSSS bonds.
 - Portfolio guarantee by JICA will provide risk mitigation tool for local financial institutions when they expand their operation to the clients with high development impact (SMEs, women owned enterprises, etc.)
- Also, general purpose is allowed as use of proceed for <u>Sustainability Linked Loan(SLL)</u>, <u>Sustainability Linked Bond (SLB)</u>.

JICA PSIF Products





Multifaceted and Complex - Development Impacts of JICA's Activities



Expanded Food Production

The rate of increase in rice production in Sub-Saharan Africa. (From 14 million tons in the baseline year to 32.30 million tons in 2021)

A 130% increase



Maternal and Child Health (MCH) Handbook

The total number of copies distributed in 34 countries where JICA provided assistance related to the MCH Handbook. (JFY2019)

34 countries 9 million copies



Improvement of Children's Learning

The number of children provided with a quality educational environment to improve their learning through JICA's assistance. (JFY2015–JFY2017)

Over 15 million children



Access to Safe Water

The accumulated number of people who gained access to drinking water with JICA's aid for water supply facilities (JFY1999–JFY2022)

84 million people



Clean Energy

Total installed capacity of operational geothermal power-generation facilities that have been built with Japanese ODA Loans. (JFY 1978-)

1,592 MW



Development of Industrial Human Resources

The total number of industrial human resources in Asia that JICA has supported the training of. (as of July 2023)

Over 18,000 people



BOSAI: Disaster Risk Reduction

The total number of people protected from the risk of disasters by JICA's flood control and other projects. (Finance and Investment Cooperation for which ex-post evaluation was conducted JFY2011–JFY2020)

Over 3.8 million people



Natural Environment Conservation

Area planted under JICA's reforestation cooperation. (JFY2000–JFY2016)

3.05 million hectares



Realization of Clean City

The number of countries and people who benefited from the JICA Clean City Initiative. (JFY2021-)

42 countries
Over 170 million people



JICA Sustainability Policy (October 2023)

◆ To show mid and long-term targets for sustainability management, JICA Sustainability Policy was announced in October 2023.

Aim

Realizing a "Sustainable World"

In a rapidly changing world, JICA's role in development cooperation has become even more important. Through the vision of "Leading the world with trust", JICA aims to realize a "sustainable world" in which the three dimensions - economy, society, and environment - are in harmony and no burden is left for future generations.

Focus Areas related to Synergetic Responses to Triple Planetary Crises

Climate

Paris
Alignment /
Transition

Carbon Neutrality of Organization by 2030

Nature / Biodiversity

◆ As a climate change measure, JICA <u>aims to implement all new projects in a manner aligned with the goals of the Paris Agreement</u>. In addition to mitigation measures to reduce climate change, we will implement adaptation measures to achieve societies that are resilient to climate change and support <u>a whole of society transition in developing countries</u>

The Paris Agreement is an international framework on climate change adopted at the twenty-first session of the 2015 Conference of the Parties (COP21) to the UNFCCC: United Nations Framework Convention on Climate Change and entered into force in 2016. JICA aims to align all new projects with the goals of the Paris Agreement and is preparing for the alignment process to begin in 2023, working quickly and in stages

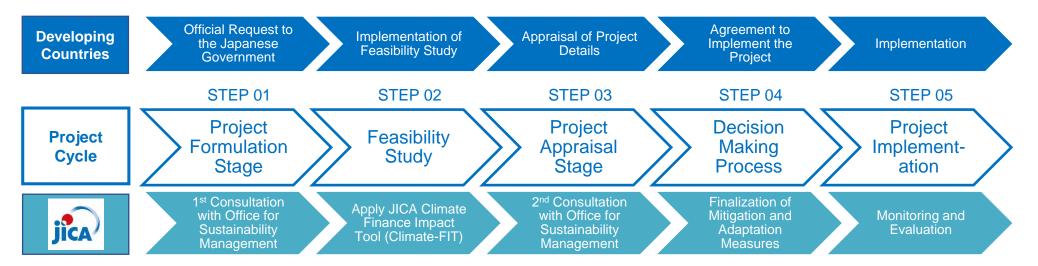
 Based on the Japanese government's declaration to achieve Carbon Neutrality by 2050, JICA aims to <u>achieve carbon neutrality for its organization by 2030</u>

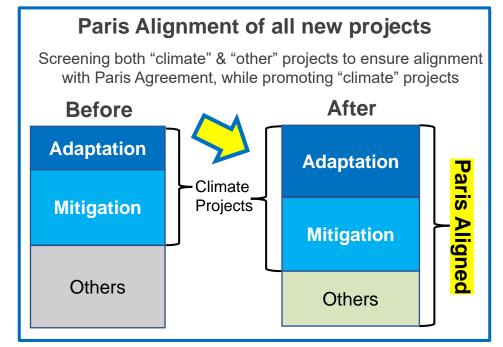
JICA's target is based on Scope 1 and 2 of the GHG Protocol, the international standard for calculating and reporting greenhouse gas emissions (for Headquarters and domestic offices only; overseas offices will be considered in stages)

◆ Conservation of the global environment is our responsibility for the future, and JICA will strengthen its efforts to **conserve the natural environment**, including protection of the marine environment, forests, and water resources, and promote **the mainstreaming of biodiversity**



Mainstreaming Synergetic Responses in JICA's Development Projects





Mainstreaming Biodiversity / Nature-based Solutions (NbS)

- Mainstream biodiversity and NbS into various fields, including water resource management, disaster risk reduction and agricultural development.
- Promote NbS practices at the field level and scientific evaluation of the risks and benefits of introducing NbS



JICA's efforts to bring synergies (climate/biodiversity and development impact)

➤ This project aims to conduct activities to conserve biodiversity, mitigate friction between humans and wildlife, strengthen forest product supply chains, improve livelihoods through participation of women, the poor and vulnerable groups in society, and reinforce the organizational structure of Tamil Nadu Forest Department.



Supporting climate change adaptation and mitigation through afforestation and biodiversity conservation				
Project Name	Tamil Nadu Biodiversity Conservation and Greening Project for Climate Change Response (ODA Ioan)			
Country / Region	India (South Asia)	GHG emission reductions 243,000 tons/year		
Loan amount	10.535 billion yen			
Agreement Date	March 31, 2022			

Expected Main Project Effects

Qualitative Effects • Restore and enhance ecosystem services

• Strengthen resilience to climate change • Climate change mitigation

• Participation of women, the poor, and vulnerable groups in society, etc.

Quantitative Effects

Indicator	Baseline (actual value in 2021)	Target (one year after completion)
Increase in carbon storage through afforestation in urban and peri-urban areas (metric tonnes)	N/A	400,000
Increase in the area of trees outside forests (TOF) (ha)	N/A	60,000
Area of mangrove forests planted along the eastern coastline (ha)	N/A	1,050
Number of Forest Department officials participating in training during the Project period (person)	N/A	5,400





(Source: JICA Impact Report 2023)

JICA's efforts to bring synergies (pollution control and development impact)

➤ This project aims to promote waste treatment helpful to the local circular economy, through the construction and operation of a composting plant and a waste-to-energy incinerator, thereby contributing to improvement of urban environmental hygiene and sustainable economic growth.



Improved waste management contributes to improved public health and global warming prevention			
Project Name	Waste to Energy and Waste Treatment Project in Binh Duong Province (Private Sector Investment Finance)		
Country / Region	Vietnam (Southeast Asia)		
Loan amount	7 million U.S. dollars		
Agreement Date	December 9, 2022		

Expected Main Project Effects

Qualitative Effects • Stimulation of provincial industry through foreign investment

* Improvement of public health, including air and soil pollution

Quantitative Effects

Indicator	Baseline (actual value in 2021)	Target (two years after completion)
Waste treated (tons/day)	2,336	2,669
Compost produced (tons/day)	1,680	2,520
Generation capacity (MW)	0	5
Power produced (MWh)	0	17,520





(Source: JICA Impact Report 2023)

JICA's efforts to bring synergies (case studies from IGES/JICA (Sep 2024))

Country	Viet Nam	Viet Nam	Timor-Leste
Project / Initiative	 Support for planning and implementation of the NDCs (SPI-NDC) 	 Green growth promotion in Halong Bay Area, Quang Ninh Province 	 Community-based landscape management for enhanced climate resilience and reduction of deforestation in critical watersheds
Overview	 Policy formulation and capacity building support 	 Overcoming dependance on polluting economy, promoting sustainable tourism 	Deploying natural resource management mechanism and capacity building
Synergistic Activities	 Providing training to encourage private sector investment in decarbonizatinon Creating passenger modal shift 	 Installing bio-toilets and composting plant to make effective use of organic waste Distributing them to farmers for water quality improvement 	 Encouraging residents to comply with village rules Improving farming techniques to avoid excessive use of natural resources and reduce GHG emission
KPIs	 Capacity building for the private sector PPP seminar for decarbonization 	 Composting by plants increasing vegetable productivity 	 Beneficiary population Forest conservation and GHG emission reduction

(Source: JICA's efforts to bring synergies between climate change and the SDGs within international cooperation)

