

【Open Letter】

26 February, 2010

To: Mr. Katsuya Okada, Foreign Minister

Mr. Koichi Takemasa, State Secretary for Foreign Affairs

Mr. Tetsuro Fukuyama, State Secretary for Foreign Affairs

Mr. Shuji Kira, Parliamentary Vice-minister for Foreign Affairs

Ms. Chinami Nishimura, Parliamentary Vice-minister for Foreign Affairs

Requests for the ODA Review Process

We are a group of Japanese Non-Governmental Organisations who wish to prevent development aid projects from damaging the environment and societies and to improve the quality of Official Development Assistance (ODA). We welcome the Foreign Minister's endeavour to conduct a fundamental review of Japanese ODA. The review is a significant step towards resolving a number of ODA-related problems.

The government announced details of the review process in a press conference on 2 February. While we appreciate the review itself, we would like to mention the following problems with the announced process:

- The process prescribes that most important discussions be held only within a taskforce comprised of the Ministry officials and JICA officials. Such discussions will not lead to zero-base, fundamental reform.
- ODA belongs to the jurisdiction not only of the Foreign Ministry but also other government institutions to a significant extent. In order to carry out comprehensive review which extends to the whole government, governmental organisations other than the Foreign Ministry should participate in the review.
- A ready-made agenda have been already assigned to the taskforce, but an agenda for discussion should be developed with an input from outside the government. Therefore, the government should first establish a system to hear from organisations outside the government.
- The government should first analyse problems with past ODA projects and develop review agenda based on the analyses. However, the government has not announced a plan regarding how the analyses would be carried out.

In order to address above problems, we would like to request the Ministry to implement the following:

1. To set up a process to analyse problems with past ODA projects for the purpose of clarifying agenda for the review process.
2. To hold consultation meetingsⁱ with ODA-related NGOs or to establish a committeeⁱⁱ comprised of stakeholders including NGOs in each stage of clarifying agenda, discussing them and deciding on policies. All important discussionⁱⁱⁱ must go through either the consultation meetings or committee meetings. Discussion must be open to the public^{iv} and suggestions in writing should be accepted.
3. If a stakeholder's committee is to be established, the following points should be taken into account:
 - ① The committee should include stakeholders critical of ODA among its members;
 - ② The committee meetings should be open to the public and participation from audience should be allowed.
4. One of the most important items for discussion should be whether overseas investment and lending should be reopened. Results of JICA's research on past overseas investment and lending should be released before it is discussed^v.

i) Consultation meetings should be held in a style in which all the interested parties can attend and participate. Minutes of meetings should be published. Such a style of meetings has been taken, for instance, in the process to amend JBIC Guidelines for Confirmation of Environmental and Social Considerations.

ii) The committee should be formed with various stakeholders. Committee meetings should be open to the public and minutes should be published. JBIC had such a committee when it amended JBIC Guidelines for Confirmation of Environmental and Social Considerations. Even the audience was allowed to speak out in the committee's meetings.

iii) Consultation should cover the topics discussed by the taskforce which are being formed within the Ministry of Foreign Affairs.

iv) Open consultation plays an important role in securing accountability and participants' responsibilities for their words. Open consultation is also effective in preventing participants from speaking solely for the interests of their organizations such as their ministries and corporations.

v) Overseas investment and lending were once abolished in 'Reorganisation and Rationalisation Plan for Special Public Institutions' adopted in December, 2001. Their resumption was considered as an outcome of the 22nd Conference on Overseas Economic Cooperation on 2 June, 2009 and review and assessment of past investment and lending were planned accordingly. Without waiting for the conclusion of the review and assessment, the Cabinet decided to resume overseas investment and lending on 23 June as announced in 'Basic Policies on Economic and Fiscal Reform 2009'.

Past overseas investment and lending had a tendency to favour only certain industries. Also, compared to regular ODA, their overall transparency was sacrificed to protect trade secrets. This had become a hotbed of irregularities and vested interests. Such flaws received much criticism and attention in the Diet.

A SEED JAPAN, AM Net, ARBA, International Environmental NGO FoE Japan, ODA-NET, ODA-NET Kansai, Ayus: Network of Buddhist Volunteers for International Cooperation, Fukuoka NGO Forum on ADB (FNA), Pacific Asia Resource Center (PARC), Ayase-gawa wo Aisuru Kai, NINDJA, Fukuoka NGO Network, Kankyo Kakushin, Japan Center for a Sustainable Environment and Society (JACSES), Kansai NGO Council, Kansai Action Center on Philippine Human Rights Issues, Greenpeace Japan, Citizens' Nuclear Information Center, International Fund for Animal Welfare, Jubilee Kansai Network, Jumma Net, Japan Campaign to Ban Landmines, Information Network of Problems on Water Resources Development of Japan, Society of St. Columban, Solar and Wind Power Generation Trust, KAFTI, Nagoya NGO Center, Japan International Volunteer Center (JVC), Japan Wetlands Action Network (JAWAN), BurmaInfo, People's Forum on Burma, Bridge Asia Japan, Mekong Watch

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