



“Foreign aid and assistance, if effectively aligned with governmental policies and private sector momentum, may help a developing country seek growth opportunities through mutually-beneficial integration with the global economies”

Mr. Shigeki Furuta
Chief Representative, JICA Pakistan



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ICMA Pakistan: Since when JICA Office is working in Pakistan and what contributions it has made to Pakistan's economy?

SF: Japan started its technical cooperation with Pakistan in 1954 through the capacity building of government officials in the form of training in Japan under the Colombo Plan. The first concessional ODA loan was extended in 1961 followed by grant aid in 1970. For consolidation of the above, Japan International Cooperation Agency (JICA), which was established in 1974 and was renewed as an independent administrative agency in 2003, has been a Japanese governmental organization for the implementation of grant aid and technical cooperation. The ODA loan part of JBIC (Japan Bank for International Cooperation) merged with JICA in 2008, and since then JICA has been responsible for grant aid, technical cooperation and loan altogether. It is believed and recognized that Japan's assistance has played a substantial role in the development of Pakistan and its economy since its inception. Japan supported Pakistan

not only in capacity building but also to build infrastructure and human security. JICA assistance covers various sectors such as health, education, disaster management, water supply, transport, industry development, agriculture and power etc.

ICMA Pakistan: What are JICA's current financed projects in Pakistan and projects under consideration for the future?

SF: With the growing population, in order for Pakistan to achieve continued sustainable growth and development, it is vital to continue investment in human capital, social and economic infrastructure sectors. Being cognizant of the development needs of Pakistan, the Government of Japan has placed its priority on 'ensuring human security and human development,' 'development of a sound market economy' and 'achievement of balanced regional socio-economic development.' These are the main pillars and priority areas derived from JICA's Medium-Term Strategy for

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Overseas Economic Cooperation as a basis for ODA Assistance Strategy for Pakistan.

The majority of the ODA loan assistance been focused on the power and transport sectors. However, since the 1990s, social services such as water supply, education and irrigation infrastructure have emerged for ODA Loan Assistance. Currently, the ongoing portfolio of JICA's ODA Loan Assistance for Pakistan is comprised of projects in the power sector, construction of transmission lines and grid stations, road and irrigation infrastructure in various parts of the country. JICA Pakistan operation will seek for expansion with other areas, in coordination with concerned authorities in Pakistan and the Japanese government.

ICMA Pakistan: How foreign aid and assistance can help a developing country like Pakistan to achieve economic growth?

SF: Foreign aid and assistance, not only from JICA but other development partner agencies, can provide, and are indeed providing, a wide range of cooperation in various fronts to design and implement macroeconomic/fiscal policies; to reconfigure regulatory/taxation systems; to formulate sectoral industrial policies based on constructive public-private dialogues; to develop and/or regulate the domestic marketplace; to promote external trade and investment; to

enable private businesses to upgrade their products & services, production, marketing and management; to build functioning infrastructure services; and to develop capable human resources and create decent jobs. Needless to say, foreign aid and assistance alone will not bring substantial changes. Economic growth is the outcome of the nationwide concerted efforts of both the private sector and governmental bodies, which are to be keenly aware of and adaptive to the ever-changing landscape of the global economy and industries. Foreign aid and assistance, if effectively aligned with governmental policies and private sector momentum, may help a developing country seek growth opportunities through mutually-beneficial integration with the global economies.

ICMA Pakistan: How JICA is helping the Pakistani industry in technology up-gradation?

SF: The manufacturing sector of Pakistan, due to various structural problems, is facing slow growth rates of investment, output, and exports. Inadequate R&D activities are also causing slow growth rates of productivity making the Pakistani products uncompetitive in the world market.

JICA Project contributes to addressing a crucial issue of enhancing the competitiveness of industry to meet international requirements of "Quality, Cost, and Delivery" by developing human resources, with a special emphasis on women, who would be equipped with basic production practices of productivity and quality improvement, which would provide basis of market diversification.

ICMA Pakistan: Education is a key sector in development. What support does JICA is providing in the education sector in Pakistan?

SF: JICA's Education program has primarily focused on literacy, skills and bridging the gap between literacy and formal education. For this purpose, we have assisted the Federal and Provincial governments in establishing an accelerated learning program for adult literacy and out of school children &/or dropouts. This program has enabled

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governments in developing their Non-Formal education (NFE) policies, curriculums, teaching-learning material, teacher training, assessment & equivalency with primary level school education. An NFE MIS has also been put in place for promoting evidence-based NFE programming, reporting & policy response. Our Skills sector has broadly been focusing on skills needed for industrial development in the fields of mechanical, architecture, & textile. Informal economic sector skills assistance is linking Home Based Women Workers (HBWs) with skills in handicrafts with the formal economy with enhanced market & financial access combined with life skills & work ethics components. JICA has also assisted governments by establishing new schools & upgrading existing girls' schools into elementary schools in Sindh, Baluchistan, & KP. Going forward, we intend to expand and reposition our education sector assistance in Pakistan. Key considerations under discussion are access, quality, learning outcomes, teacher training, industry-driven skills, labor market outcomes & private sector engagement.

ICMA Pakistan: How the finance professionals can take advantage of the JDS program of JICA to receive training in Japan?

SF: The project for Human Resource Development Scholarship by Japanese Grant Aid (JDS) provides the opportunity to obtain the master's degree to the young capable government officials who are expected to engage in formulating and implementing social and economic development of the country.

One of the fields of study, 'Enhancement of Public Administration and Finance' aims for capacity development of administrative officials in charge of the sound financial management, including national revenue and expenditure management, local finance, financial policy and budgeting, and planning system establishment for public policies.

There are also expected research areas of Financial Operations, Management, Public Policy Design and System Design under the enhancement of public administration and finance. The fellows can acquire the expertise to use for policy-making and institutional building for the development of their country and enhance the institutional capacity of their organization. Moreover, those who participate in the JDS program will not only acquire expertise that is helpful for strengthening the government's administrative capacities but also build a human network through a two-year study in Japan.

Since CSS/Cadre officers and federal Ex-Cadre officers (BPS 17 and above) are eligible for this program, we look forward to receiving applications from finance professionals for JDS 2020.

ICMA Pakistan: CMAs qualified from ICMA Pakistan have expertise in cost management and control. Is there any possibility of engaging the CMAs in JICA funded projects in Pakistan to achieve cost efficiency in these projects?

SF: It exclusively depends upon the project requirements.

ICMA Pakistan: Would JICA be willing to sign MOU with

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ICMA Pakistan to undertake joint initiatives such as holding seminars and training programs for professionals, corporate, trade and industrial sectors in Pakistan?

SF: Within the mandate and procedures for cooperation agreed between JICA and the government of Pakistan, JICA can undertake technical cooperation projects with any governmental body, which I assume, includes ICMA Pakistan.

The Editorial Board thanks Mr. Shigeki Furuta, Chief Representative, JICA Pakistan for giving his exclusive interview for Management Accountant Journal.