The Japan Policy and Human Resources Development Fund (PHRD) Fund was established in 1990 as a partnership between the Government of Japan and the World Bank. The scope of the Fund is described in the Arrangement for the Administration of Fund (as revised in March 1999) as follows:

“The Fund may be used for the purposes of financing technical assistance and other grant activities in respect of the formulation and implementation of Bank-supported projects and programs and activities to develop human resources in developing member countries of the Bank, to assist developing member countries of the Bank to formulate and implement development policy and to strengthen the partnership between the Government of Japan and the Bank.”

Since fiscal year 2000 the Government of Japan has contributed US$829.6 million to the PHRD Fund. It is one of the largest Funds managed by the World Bank and is recognized as making a unique contribution to the member countries’ capacity building efforts.
For over two decades the Policy and Human Resources Development (PHRD) Fund, generously supported by the Government of Japan, has been an embodiment for quality in development operations. PHRD grants have helped to strengthen the quality of projects at entry, supported climate change initiatives and cutting edge research in catastrophe risk insurance options, trained thousands of development professionals, disseminated data and learning across the globe, and forged strong bonds between Japan and the World Bank. This year has been no exception. The PHRD Technical Assistance Program continues to show its value in the quality of the projects supported by the grants. Recipient countries from all regions have benefited from the consistent application of global skills and learning to varying local challenges, from tangible increases in local capacity, and from growing integration into the worldwide development community. This report highlights just two of the many examples of projects improved by PHRD’s contribution: to optimize the use of resources in assistance of Small and Medium Enterprises in Bosnia and Herzegovina, and to bring advanced and specialized techniques to the design of a hydroelectric power project in north India.

The Technical Assistance program has helped to cofinance World Bank’s lending operation in the area of technology transfer. In Lao PDR, the financial and organizational management learning funded by one grant not only improved the efficiency of road maintenance, it also promoted decentralization of development responsibility, by strengthening provincial government capacity. In Armenia, technical aspects of organization and training have led to increased use of health services, reduced cost, and overall satisfaction with quality and access.

The third major focus of PHRD Technical Assistance — Climate Change Initiatives grants — has delivered encouraging results. These grants have supported all aspects of the response to climate change, from pilot initiatives to slow the rate of global warming, to preparation for mitigation of the stresses brought by climate change. Impressive results from a sample of these grants have been documented in this report.

Beginning in fiscal year 2009, the Government of Japan and the World Bank have embarked on a major restructuring of the PHRD Technical Assistance Program, which has been ratified in the FY09 Annual Policy Document. The new Technical Assistance Program focuses on three thematic pillars: Pillar I – Agriculture and Rice Productivity Enhancement Research and Development; Pillar II – Disaster Risk Management; and Pillar III – Other activities to be agreed between the Government of Japan and the World Bank. The new direction of the Technical Assistance Program is opportune as it addresses two of the major global challenges — access to food, and disaster risks.

The other major components of the PHRD Fund have continued to solidify the foundations of human capital on which development and welfare will grow. The Joint Japan/World Bank Graduate Scholarship Program, which welcomed the University of Tokyo to its Partnership Programs last year, awarded 362 new scholarships to scholars from over 90 countries. The eighth tracer study of the alumni of this program showed that, almost all scholars in the program attained their degrees, about 83 percent returned to their countries or to another developing country, and almost half returned to work in the public sector. Another program aimed at increasing entry of qualified Japanese nationals in the World Bank, has been successful in recruiting 177 Japanese over the period from 2000 to 2010 in various categories of employment.

The combination of continued contribution to the core PHRD programs with the timely restructuring of the Technical Assistance Program has made fiscal year 2010 a watershed in the history of the PHRD Fund. The Global Partnerships and Trust Fund Operations Department remains committed to maximizing the effective and efficient use of the PHRD Fund for development purposes, as agreed between the Government of Japan and the World Bank. We are sincerely grateful to the Government of Japan for its generous support.
## Acronyms & Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>CAADP</td>
<td>Comprehensive African Agricultural Development Program</td>
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<tr>
<td>CARD</td>
<td>Coalition for African Rice Development</td>
</tr>
<tr>
<td>CC</td>
<td>Climate Change Initiative</td>
</tr>
<tr>
<td>CFP</td>
<td>Concessional Finance and Global Partnerships</td>
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<tr>
<td>CGIAR</td>
<td>Consultative Group on International Agriculture Research</td>
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<tr>
<td>CoF</td>
<td>Project Cofinancing</td>
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<tr>
<td>ETC</td>
<td>Extended Term Consultant</td>
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<tr>
<td>FY</td>
<td>Fiscal Year</td>
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<tr>
<td>GDLN</td>
<td>Global Development Learning Network</td>
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<tr>
<td>GoJ</td>
<td>Government of Japan</td>
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<tr>
<td>GRM</td>
<td>Grant Reporting and Monitoring</td>
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<tr>
<td>IBRD</td>
<td>International Bank for Reconstruction and Development</td>
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<tr>
<td>ICM</td>
<td>Implementation Completion Memorandum</td>
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<tr>
<td>IDA</td>
<td>International Development Association</td>
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<tr>
<td>IRRI</td>
<td>International Rice Research Institute</td>
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<tr>
<td>JICA</td>
<td>Japan International Cooperation Agency</td>
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<tr>
<td>JIPS</td>
<td>Japan Indonesia Presidential Scholarship Program</td>
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<tr>
<td>JJ/WBGSP</td>
<td>Joint Japan/World Bank Graduate Scholarship Program</td>
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<tr>
<td>JPO</td>
<td>Junior Professional Officer</td>
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<tr>
<td>JSDF</td>
<td>Japan Social Development Fund</td>
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<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
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<tr>
<td>MIDP</td>
<td>Most Innovative Development Project</td>
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<tr>
<td>ORD</td>
<td>Outstanding Research on Development</td>
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<tr>
<td>PHRD</td>
<td>Policy and Human Resources Development Fund</td>
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<td>PICs</td>
<td>Pacific Island Countries</td>
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<td>PIC Tokyo</td>
<td>Public Information Center in Tokyo</td>
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<td>PIU</td>
<td>Project Implementation Units</td>
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<td>PP</td>
<td>Project Preparation</td>
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<td>PTO</td>
<td>Global Partnership and Trust Funds Operations</td>
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<td>PTO</td>
<td>Global Partnership and Trust Funds Operations</td>
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<tr>
<td>RVP</td>
<td>Regional Vice President</td>
</tr>
<tr>
<td>TDLC</td>
<td>Tokyo Development Learning Center</td>
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<tr>
<td>THDC</td>
<td>Tehri Hydro Development Corporation</td>
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<tr>
<td>UdelaR</td>
<td>Universidad de la República</td>
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<tr>
<td>VPHEP</td>
<td>Vishnugath Pipalkothi Hydro-electric Project</td>
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<td>WARDA</td>
<td>West Africa Rice Development Association</td>
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<td>WBI</td>
<td>World Bank Institute</td>
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</tbody>
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Message from Junhui Wu, Director .............................................. 1

CHAPTER 1:  
Introduction and Overview  
1.1 PHRD Origins and Objectives ........................................... 1  
1.2 Program Overview ....................................................... 1  
1.3 FY10 Program Highlights ............................................... 3

CHAPTER 2:  
PHRD Technical Assistance Program  
2.1 Program Trends .......................................................... 5  
2.2 PHRD TA Grants in FY10 ................................................. 6  
2.3 The New PHRD TA Program .......................................... 8

CHAPTER 3:  
Human Resources Development  
3.1 Introduction .............................................................. 11  
3.2 Joint Japan/World Bank Graduate Scholarship Program ........ 11  
3.3 WBI Capacity Development Grants Program ...................... 12  
3.4 Japan Indonesia Presidential Scholarship Program ............. 13  
3.5 Japan-World Bank Partnership Program ........................... 13

CHAPTER 4:  
Other PHRD-Supported Programs  
4.1 Introduction .............................................................. 17  
4.2 Japan PHRD Staff and ETC Program ................................ 17  
4.3 The Japan Junior Professional Officers (JPO) Program .......... 17  
4.4 Other Programs Supported by PHRD Fund ........................ 17

CHAPTER 5:  
Monitoring and Evaluation of PHRD Activities  
5.1 Monitoring the Progress and Impact of PHRD Activities ........ 18  
5.2 Lessons ........................................................................ 19

CHAPTER 6:  
Additional Sources of Information on PHRD and Programs Supported by the PHRD Fund  
6.1 Information on PHRD ....................................................... 21  
6.2 Programs Supported by the PHRD Fund ............................ 21

LIST OF FIGURES  
FIGURE 1: Contribution to the PHRD Fund (US$ million) ............ 1  
FIGURE 2: PHRD Program Disbursements in FY10 and FY09 ........ 2  
FIGURE 3: PHRD TA Contributions, Allocations, and Disbursements (FY00 – FY10) ........................................... 5  
FIGURE 5: Number of Staff Grants Approved from FY00 – FY10 .... 17

LIST OF BOXES  
BOX 1: Two Examples of Closed Project Preparation Grants ........ 6  
BOX 2: Two Examples of Closed Project Cofinancing Grants .......... 7  
BOX 3: PHRD WBI Capacity Development Grants Program Achievements ............................................................. 13  
BOX 4: Global Development Medals and Awards .................... 15  
BOX 5: Some Lessons from a Sample of FY10 Closed Grants ........ 19

ANNEXES  
ANNEX 1: FY09-FY13 Policy Document ................................... 23  
ANNEX 2: Guidance Note on Visibility of Japan ........................ 27
Chapter 1: Introduction & Overview

1.1 PHRD Origins and Objectives

The Japan Policy and Human Resources Development (PHRD) Fund is one of the major sources of grant funds for technical assistance and capacity building initiatives for low-income countries (with per capita annual income of US$900 or less at the time of receiving the grants). The Fund was one of the first and in many instances only source of concessional finance for countries in economic and financial crisis. The PHRD Fund was established in 1990 as a partnership between the Government of Japan (GoJ) and the World Bank.

The scope of the Fund is described in the Arrangements for Administration of the Fund (as revised in March 1999) as follows:

The Fund may be used for the purposes of financing technical assistance and other grant activities in respect of the formulation and implementation of Bank-sponsored projects and programs and activities to help develop human resources in developing member countries of the Bank to formulate and implement development policy and to strengthen the partnership between Japan and the Bank.

It is one of the largest trust funds managed by the World Bank and over the past 22 years, is recognized as making a unique contribution to the Bank’s development role in a wide range of poverty alleviation and capacity building activities.

Since inception to fiscal year (FY) 2010, GoJ has contributed US$2.5 billion to the PHRD Fund. Figure 1 shows the trend in contribution.

1.2 Program Overview

The PHRD Fund supports technical assistance, human resources development and capacity building, Japanese staff and consultants, and Japan-World Bank partnership initiatives through the following core programs:

**Technical Assistance**

- The PHRD Technical Assistance (TA) Program formerly provided grants to assist with the preparation and implementation of operations financed through the International Bank for Reconstruction and Development (IBRD) loans and International Development Association (IDA) credits and grants. In addition, the PHRD TA Program supported a range of climate change-related activities. Until 2008, the TA Program included grants for Project Preparation (PP), Project Implementation, Project Cofinancing (COF) and Climate Change Initiative (CC). From FY02 to FY09, about 713 grants of all types valued at US$581.59 million were approved; of which PP grants accounted for 65 percent in number and 79 percent in value. In FY09 these components of the TA Program were discontinued and no new grants have been awarded for these activities. As of July 2010, about 125 grants are still under implementation.

**FIGURE 1: Contribution to the PHRD Fund (US$ Million)**
In 2009, the TA Program has been restructured to focus on agricultural research and extension, and rice productivity enhancement (US$100m over 5 years), disaster risk management (US$50m over 5 years), Pacific Catastrophe Risk Financing Initiative Phase 2, and other programs to be determined jointly by the GoJ and the World Bank. The Policy Document for the new TA Program was approved by GoJ in May 2009. (Annex I)

**Human Resources Development and Capacity Building:**

- The **Joint Japan/World Bank Graduate Scholarship Program (JJ/WBGSP)** supports post-graduate training at Master’s degree level for member country nationals. Similar scholarship programs supported by Japan are managed by other Multilateral Development Banks, but the JJ/WBGSP is both the longest-established and, by far, the largest of these programs. Since its inception, GoJ approved US$220.78 million for this program of which 96 percent was disbursed by the end of FY10.

- The **PHRD World Bank Institute (WBI) Capacity Development Grants Program** supports WBI’s capacity development activities, with a particular focus on activities in East, South, and Central Asia. Since inception, GoJ approved US$44.44 million of which about 90 percent was disbursed by end FY10.

- The **Japan Indonesia Presidential Scholarship Program (JIPS)** was established in 2008 to support studies in fields related to development, such as, economics, management, education, health, agriculture, infrastructure, and environment. GoJ has so far, contributed US$2.0 million to this new program of which 43 percent has been disbursed.

**Japanese Staff and Consultants:**

- The **Japan PHRD Staff and Extended Term Consultant (ETC) Program** supports part of the costs of Japanese nationals recruited to work within the World Bank. As of FY10, the total amount approved for this program was US$22.1 million and 66 percent has been disbursed.

**Partnership Initiative**

- The **Japan-World Bank Partnership Program** supports various research programs, workshops, and seminars that promote partnership between Japan and the World Bank. Since inception, GoJ approved US$54.7 million of which 85 percent has been disbursed.

Figure 2 compares the FY10 and FY09 disbursements from each of these programs and as percentages of total disbursement. In FY10, about 59 percent of the total PHRD Fund disbursements of US$68.3 million were from the PHRD TA Program.

### Figure 2: PHRD Program Disbursements in FY10 & FY09

![Figure 2: PHRD Program Disbursements in FY10 & FY09](image-url)
Though this disbursement share is 13 percentage points lower than the FY09, it still accounts for the largest share. PHRD TA disbursements have fallen steadily since FY08, mainly due to the winding down of the former program activities, and with no new approvals under the new program in the reporting year. The next largest share of disbursement was from the JJ/WBGSP. The Japan-World Bank Partnership Program accounted for the third-largest disbursement component, with 7 percent of FY10 disbursements.

In addition to these core programs, the PHRD Fund supports other activities where the World Bank plays an important role in the international community (discussed further in Chapters 2, 3, and 4). This often involves transferring resources from the PHRD Fund and the PHRD TA to other programs administered by the Bank Group, such as, the Japan Junior Professional Officers (JPO) Program, the Consultative Group to Assist the Poorest (CGAP), the Consultative Group on International Agricultural Research (CGIAR), and the Japan Social Development Fund (JSDF), another trust fund program managed by the World Bank.\(^1\)

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1.3 **FY10 Program Highlights**

- The Policy Document for the new PHRD TA Program was approved by GoJ in May 2009;
- Consultations with country stakeholders on the selection of countries and program development for Africa Agriculture took place;
- Fifteen country risk profiles were prepared for the Pacific Catastrophe Risk Financing Initiative, and made available in January 2011;
- Under the JJ/WBGSP, 359 new scholars were financed, of whom 47 percent are from the Africa region, and 47 percent are women;
- GoJ approved US$7.0 million 31 staff positions, the highest number of grants in the history of the program; and
- A brochure to commemorate the 20th Anniversary of Japan’s contribution to the PHRD Fund was prepared in English and Japanese for wide dissemination.
Chapter 2:  
PHRD Technical Assistance Program

2.1 Program Trends

Since inception of the PHRD TA program GoJ has contributed US$1.7 billion. Cumulative allocations to various grants under the program amounted to US$2.27 billion of which about 74 percent has been disbursed. Figure 3 shows the trends in the PHRD TA contributions, allocations, and disbursements during FY00-10.

The annual contribution has declined over the decade, from about US$50 million in FY00 to US$20 million in FY04 to US$1.2 million in FY09. However, in FY10 the Program received a contribution of US$41 million, the highest level since FY00. A part of FY10 contribution was transferred to the Emergency Window of the JSDF.

The FY10 allocation for new grants was only US$2.0 million as the new TA program was yet to start fully. The allocation in FY09 was US$29.2 million. With the closure of the old grants and no grants approved under the new program, disbursements fell from US$51.0 million in FY09 to US$40.1 million in FY10. Disbursements are not expected to increase before FY12, at which time implementation of grants under the new program for agriculture, disaster and disability will begin.

Project Preparation (PP) grants were dominant in the PHRD TA program. These were an important source of financing available to low-income and lower-middle income countries for the preparation of IBRD loans and IDA credits. PP grants were aimed at strengthening the quality and recipient ownership of operations financed by the World Bank through the provision of funds directly to potential borrowers to obtain technical expertise to carry out analytical studies to help prepare documents to access loans and credits from the World Bank. On average, preparation of 40 percent of the total number of loans and credits approved for Bank financing during FY00-04 were supported by PHRD PP grants. This ratio has since steadily declined. (See Figure 4)
A combination of factors contributed to the declining ratio. Many PP grants were provided to assist the recipient government to prepare budget support operations but some of these operations associated with PP grants were dropped from the lending program either because the governments were not interested or the Bank was not satisfied with the reform program. The annual allocation from GoJ for PP grants was reduced from US$117.5 million in 1999 to US$50.0 million in FY04 to US$30 million in FY08.

2.2 PHRD TA Grants in FY10

As reported earlier, no new grant proposals were submitted in FY10. Forty-eight TA grants closed during FY10, including 29 PP grants. There are now 79 TA grants, previously approved, under implementation.

**Project Preparation Grants**

PP grants accounted for 66 percent of the total TA grants which were closed in FY10. The disbursement rate of these grants was 79 percent. These grants were provided to assist the governments to prepare projects whose scope ranged from agriculture, education, and health services, to improving access to finance, energy, transportation, increasing rural livelihood opportunities, and environment.
Project Cofinancing Grants
These grants were provided to support technical assistance to strengthen institutional capacity for operations financed by the Bank in IDA and blend countries. Since the introduction of this grant type in 2004, fifty one grants worth U$148.56 million have been approved. Seven grants closed in FY10 with 82 percent of the approved amount disbursed.

The closed grants assisted a range of activities, such as, ascertaining the viability of index-based livestock insurance in Mongolia, improving bio-diversity conservation and sustainable resources management in Azerbaijan, expanding sustainable maintenance of Lao PDR’s road networks, supporting Armenia’s health sector development program, mitigation of natural disaster in Kyrgyz Republic, and supporting avian influenza control and human pandemic preparedness and response in Moldova and Indonesia. With the exception of two grants, all were reported to have achieved satisfactory results.

Climate Change Initiatives Grants
These grants support the inclusion of climate change concerns in the development planning process of recipient countries. They also support the preparation and implementation of World Bank-financed projects that are aimed at reducing emissions of greenhouse gases, and the promotion of energy efficiency or adaptation to the adverse impacts of climate change. Till the closing of this program, US$37.5 million worth of grants have been approved, of which 54 percent disbursed until June 30, 2010. No new CC Initiatives grants were approved in FY10. Seven grants closed in FY10, with a disbursement rate of 93 percent. These grants, the first in the CC program to reach completion, funded projects that addressed both the causes and consequences of climate change.

Four grants concentrated on reduction of greenhouse gases, particularly methane. In China, Vietnam, and Thailand, three of the grants funded parallel projects linked to the Global Environment Facility Livestock Waste Management Project. The projects developed and

BOX 2: Two Examples of Closed Project Cofinancing Grants

Road Maintenance Program Phase II: The objective of the grant was to assist the Government of Lao PDR in expanding sustainable maintenance of its road networks nationwide through financing technical assistance for systems development, including a road management system, IT strategy, heavy transport management system, road maintenance fund management, organization and business process improvement and human resources development at both central and local level. The grant-financed activities helped to enhance the capacity of the Ministry of Public Work and Transport and its provincial and district offices in managing the road network, including planning, procurement, contract management, quality control, financial management, and environmental safeguards. The improved capacity reflected the overall achievement of the project’s development objectives and compliance with the safeguards and fiduciary requirements. As a result of the enhanced capacity, responsibilities for road network maintenance were delegated from the center to the provincial levels.

Health Systems Modernization Project: The grant was provided to the Government of Armenia to cofinance the first phase of the health sector development program with the objective of improving the organization of the health care system to provide more accessible, efficient, and sustainable health care to vulnerable groups, and to better manage public health threats. With grant support, the project exceeded the projected target for re-training Family Physicians and Family Nurses which resulted in more than 78% of the coverage of population by retrained Family Physicians and Family Nurses.

About 88% of the population rated the quality and access to services as satisfactory or higher, there was a reduction of excess hospital space in three hospital mergers, utilization of outpatient services increased and out-of-pocket payments for essential services decreased.
piloted technologies for the recovery of methane from pig farm wastes, conducted workshops to expand awareness of methane recovery, and produced studies of commercialization potentials for biogas-generated energy (China and Vietnam), and of the current carbon footprint of pig and chicken production (Thailand). The project technologies were well received in the pilot farms, and all three projects are expected to lead to further dissemination of awareness of recovery technology, supported in Thailand by a plan to train trainers in the technology.

The fourth project, in India, aimed to rehabilitate and close three uncontrolled municipal solid waste dumps in Delhi, in an environmentally sustainable manner including control of methane gas emissions and leachate. The project may have been overly ambitious, as the Municipal Corporation of Delhi (MCD) was unable to close the sites, due mainly to the difficulty of finding new sites in a tight land market. However, the project produced a comprehensive study of the feasibility of methane gas recovery and reuse from the sites, and detailed technical designs for closure of the sites, which will support the MCD in its future plans for closure.

A project in Ethiopia successfully implemented a plan to sequester carbon in 2,728 hectares of previously degraded hillside, by closing the area to grazing and charcoal burning, and by planting 450,000 seedlings to reforest the area. In addition to the reforestation, the project has trained the neighboring communities in forest management, homestead agro forestry, soil and water conservation, beekeeping and honey production, alternative forage development, and many social and financial issues associated with the project. The project will sequester 800,000 metric tons of carbon in the next thirty years, and the project’s sustainability is further enhanced by the financial interest of the local community in sale of the carbon; the World Bank has agreed to buy 330,000 metric tons of the carbon for US$726,000, and the money will go directly to the community. Plans are under way for replication of this project in other parts of Ethiopia on a larger scale, along with exploration of its possible replication in other countries of Africa.

The two remaining projects focused on mitigation of the likely negative effects of climate change in vulnerable regions: flood and drought. The grant in Honduras defined monitoring and impact indicators for floods and landslides, consulted with communities at risk, and held workshops with them on technical issues, and designed a project to help the country respond to hurricanes and other extreme weather. The Government of Honduras is using the project outputs to support its proposal for a grant under the Adaptation Fund of the World Bank.

A second project in India developed and pilot-tested nineteen village-specific combinations of drought adaptation measures in Andhra Pradesh. The village subprojects combined agricultural equipment, seeds, fishnets, efficient pump sets, information technology, knowledge centers, and other knowledge and production inputs, according to the circumstances of each village. Nine of the nineteen pilot initiatives were selected for inclusion in larger preparedness initiatives, and further six proved viable as models for increasing resilience in the face of drought. The project is expected to generate specific recommendations for a statewide policy framework and assistance schemes to improve drought adjustment and groundwater management.

2.3 The New PHRD TA Program

The Government of Japan approved the new FY09-13 Policy Document for the PHRD TA Program in May 2009. This document provides the framework for the three pillars of the FY09-13 program — Agriculture and Rice Productivity Enhancement Research and Development; Disaster Prevention; and Other Activities (including Pacific Catastrophe Risk Financing Initiative. (Annex 1). The priority areas identified in the Policy Document under Pillar I include:

i) Development of rice seeds resistant to heat and drought by the International Rice Research Institute (IRRI) and/or West Africa Rice Development Association (WARDA) through the CGIAR; and

ii) Africa Rice Research Productivity and Development Program.

Developing the Next Generation of Rice Varieties

The US$20 million fund for the rice research program has been provided to the CGIAR for use over the next five years by the IRRI and the Africa Rice Center (ARC, formerly WARDA) to develop, test, and disseminate improved varieties, and to build capacity for rice breeding. CGIAR will coordinate the research program.
The project implemented by CGIAR aims to accelerate the development and deployment of the next generation of elite rice varieties for major production systems in Sub-Saharan Africa where poverty is prevalent and the risk of food shortage is high. Substantial effort is devoted to (i) broaden the genetic diversity from which varieties are developed and (ii) enhance collaboration with the National Agriculture Research and Extension Systems’ breeders to improve adaptability of new germplasm to farmer growth conditions and consumer preferences. Progress will be reported under three objectives:

- To accelerate the development of high-impact;
- To accelerate rice variety testing, approval, and dissemination; and
- To contribute to building a new generation of rice breeders.

**Rice Production in Africa:** Preparation of proposals for accessing a PHRD grant for rice production for Tanzania, Mozambique, and four of the Mano River Union countries (Sierra Leone, Guinea, Liberia, and Côte D’Ivoire) has started. Tanzania has a long history of rice research and cultivation, a well-developed rice research network, and a good collaboration with international agricultural research centers working on rice. Mozambique, with rice production in all four major growing areas already supported by the World Bank and Japan International Cooperation Agency (JICA), shows great potential for scaling up its intensification program, through technical support to farmers and to processors. The potential for expanding rice production in the Mano River Union countries is extremely high.

**Pacific Catastrophe Risk Financing Initiative**

This initiative aims to assist the Pacific Island Countries (PICs) to develop cost-effective disaster risk financing strategies, combining post-disaster assistance and ex ante budget planning. It identifies a range of financial options for the PICs to improve their financial resilience against natural disasters while maintaining their fiscal balance. Although external financing are generally available for disaster events in the Pacific in the past, post-disaster assistance may not provide PICs with the right incentives to engage in disaster risk mitigation and in ex ante budget planning. This initiative promotes ex ante budget planning for financing natural disasters. It explores innovative financial solutions to enhance the capacity of PICs to manage natural disasters and climate change as well as to provide additional financial resources that could serve as bridge financing while other post-disaster sources are being mobilized following a natural disaster.

http://go.worldbank.org/7bxxduvmc0

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2 Contribution refers to amount received from GoJ. Allocation refers to grant amounts approved by GoJ when the specific grant account is established. When grants are approved late in the fiscal year, the allocation may not be recorded until the following fiscal year. Disbursements refer to the amounts withdrawn from the grant account to finance expenses incurred by the grant recipients.

3 GoJ has committed US$200m over three years from FY09 through this Window to respond to the food, fuel, and financial crises.

4 Annual Policy Documents for PHRD Technical Assistance Program.
Chapter 3: 
Human Resources Development

3.1 Introduction
The GoJ supports four human resources development and capacity building programs through the PHRD Fund: (a) the Joint Japan/World Bank Graduate Scholarship Program (JJ/WBGSP); (b) the WBI Capacity Development Program; (c) the Japan Indonesia Presidential Scholarship (JIPS) Program; and (d) the Japan-World Bank Partnership Program.

3.2 Joint Japan/World Bank Graduate Scholarship Program
The main objective of the JJ/WBGSP is to help build a community of highly qualified professionals in the field of economic and social development in developing countries through providing graduate study opportunities to mid-career professionals from World Bank borrowing countries. The Program has two parts — the Regular Program and the Partnership Program — both of which lead to a Master’s degree. Since its establishment in 1987, the JJ/WBGSP has awarded 4,664 scholarships for studies in development-related fields at renowned universities in Bank member countries. Among them, 1,226 scholarships were awarded for studies at the various partner institutions under the Partnership Program.

In April 2010, JJ/WBGSP welcomed the University of Tokyo to its Partnership Programs. There are 15 Partnership Programs at universities around the world that enable scholars to receive specialized training in key areas of development, such as economic policy management, infrastructure management, and tax policy. Through the Partnership Programs the JJ/WBGSP also contributes to building the institutional capacity of seven African universities by supporting Master’s degree programs in Economic Policy Management.

In FY10, GoJ contributed US$18.4 million to the JJ/WBGSP, which allowed the Program to sponsor a total of 362 scholars. The Program awarded 259 new scholarships under the Regular Program to scholars from 93 countries, and 103 scholarships to Partnership Program scholars. For the Regular Program, about 38 percent of the awardees were from Africa region, 16 percent from East Asia and Pacific region, and 12 percent from South Asia region. About 56 percent of awardees served in the public sector in their countries, 7 percent in academic and research organizations, 13 percent worked for non-governmental organizations, and 7 percent were employed by regional or international organizations.

The newly-named Alumni and Scholars Capacity Enhancement Network for Development, originally launched in 2005 as the Scaling Up Program, aims to promote knowledge sharing and information exchange among JJ/WBGSP alumni by supporting networking opportunities and knowledge exchange. In FY10, a short-term study tour — Highlights of the Japanese Development Experience — was delivered in Japan targeting a small group of 15 JJ/WBGSP alumni who had studied outside Japan.

Two two-day Knowledge Sharing Forums were organized in Washington, DC and London for scholars currently studying in universities in the US and the UK. The forums focused on skills and networks that would help scholars utilize their newly-acquired technical knowledge upon their return to their home countries.
**3.3 WBI Capacity Development Grants Program**

The WBI is a global connector of knowledge, learning and innovation for poverty reduction. The Institute connects practitioners, networks and institutions to help them find solutions to their development challenges. With a focus on the ‘how’ of reform, WBI links knowledge from around the world and scales up innovations. WBI works with and through global, regional and country-based institutions and practitioner networks and helps develop customized programs that respond to their needs. As one of the Bank’s main instruments of capacity building, WBI helps develop country capacity in close collaboration with the Bank’s regional operations and its partners, by designing and delivering customized programs for countries; by delivering global and regional activities to address issues that go beyond country boundaries; and by developing diagnostic tools to assess country capacity needs.

Japan has been one of the largest donors in WBI by providing nearly 13 percent of all donor funds that were available for WBI use during FY09 and FY10. The PHRD WBI Capacity Development Grants Program was critical in supporting WBI’s multiyear, country-specific programs, particularly in Asia, which were aligned with Japan’s priority areas and consistent with the Bank’s Country Assistance Strategies or regional and sector strategies.

In FY10, the PHRD program enabled WBI to deliver a wide range of activities mainly in Asia, and some regional activities. Two highlights of the PHRD-financed programs were in South Asia and Indonesia in the areas of Social Accountability and Investment Climate. Box 3 highlights specific outcomes achieved by these two PHRD WBI Capacity Development programs.

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**JJ/WBGSP Tracer Study**

In April 2010, WBI published the results of its eighth tracer study of the careers of alumni since completing their studies. The study aimed to measure the impact of JJ/WBGSP, through its alumni’s enhanced knowledge and skills, on their contributions to sustainable development in their countries. The study analyzed data on 3,733 scholarship recipients from 1987 to 2007, gathered from WBI’s extensive databases, and from a two-part survey of the alumni.

Overall results of the analysis were highly favorable to JJ/WBGSP. Almost all (98.8 percent) of the scholars attained their degrees, a large majority (83 percent) returned home or to another developing country, and almost half (43 percent) returned to work in the public sector. Overall, 95 percent of the returning respondents have secured employment. In addition, respondent scholars found their newly acquired skills highly relevant and linked to their countries’ development needs. About 83 percent of respondents said that most of their work was related to the development of their own country, or of other developing countries. Partnership Programs, in particular, contributed significantly to the program’s goals by training developing country professionals and policy makers.
In FY10, WBI’s approach to capacity development relied heavily on its partnerships and the Institute worked with a long list of partners around the world, and continued to expand its partnerships locally, regionally, and globally. Partnerships allow WBI to enrich the content of its programs, scale them up, and increase their cost-effectiveness. Partnerships also help to build local capacity, to harmonize capacity-development activities more broadly across donors, and to better align these activities with country needs. In FY10, nearly two-thirds of WBI’s activities were delivered jointly with partners. PHRD grants particularly facilitated building partnership with Japanese organizations, such as the JICA, Ministry of Environment, City of Kitakyushu, Tsukuba University, Japan Institute of Rural Engineering and the University of Kyoto.

3.4 Japan Indonesia Presidential Scholarship Program

The Japan Indonesia Presidential Scholarship (JIPS) Program was introduced in FY08 to support the Indonesia Ministry of National Education’s Presidential Scholars Program to strengthen the qualifications and experience of university staff, attract new talent to careers in higher education, and foster foreign and domestic academic partnerships. JIPS is funded by a US$10.0 million grant from GoJ. A contribution of US$2 million was received for JIPS in FY08, and eleven scholarships were awarded for the 2008/9 academic year. Eight scholars started their studies in FY09. Nineteen scholars have been selected to start their studies during the academic year 2009/10, and an additional 20 scholars were selected in FY10, which brings to a total of 48 the number of scholars to be sponsored by the JIPS program.

3.5 Japan-World Bank Partnership Program

The objective of this program is to support activities that strengthen collaboration between Japan and the World Bank. In FY10 GoJ approved US$6.63 million for partnership grants. The focus of these grants ranged from distance learning, awards for original, innovative contributions to development, public outreach in Japan, export growth and innovation, etc. Progress under some of these programs is described on the next page.

**Box 3: PHRD WBI Capacity Development Grants Program Achievements**

**Capacity Development for Local Government through Social Accountability.** Through the support of the PHRD grant, WBI sought to build onto existing momentum, both in South Asia and globally, achieved by practitioners and civil society organizations through awareness-raising initiatives and practical applications of social accountability tools and approaches in public procurement processes. The PHRD program facilitated the development of context and audience-specific knowledge products by recognized practitioners and civil society organizations in South Asia as part of a broader effort to create a practical curriculum on social accountability in procurement. This program is intended to signpost the breadth and accessibility of these knowledge products, and an early glimpse into some emerging lessons, albeit in early testing stages.

**Parliamentary Strengthening in Indonesia.** WBI’s Parliamentary Strengthening Program helped raise parliamentarians’ awareness of ways of overseeing the executive branch of government. The program worked with the Dewan Perwakilan Daerah (the Indonesian Senate) on how best to engage in the budget process and enhanced the upper chamber’s capacity to monitor the government’s financial operations. Case studies of parliamentary reform in Indonesia illustrated the benefits of the right combination of knowledge, skills, opportunity, and motivation. The program led to an agreement among parliamentarians on the Indonesian Senate's strategic priorities, a plan and vision for the coming year, and the development of an action plan to raise public awareness of the Indonesian Senate’s work. With the support of the PHRD grant, WBI was able to provide significant interventions to support Indonesia in establishing a public accounts committee and a parliamentary budget office.
Tokyo Development Learning Center
In October 2003, GoJ and the Bank agreed to partner in execution of a project that established and operated the Tokyo Development Learning Center (TDLC). The TDLC is designed as a state-of-the-art learning center, to serve as a platform for exchange of knowledge and experience on development through partnerships with public and private institutions in Japan and the region, and to support operations of the Asia Pacific affiliates of the Global Development Learning Network (GDLN).

Since the opening of its facility in June 2004, TDLC has developed and delivered programs on subjects as diverse as environment, disaster risk management, health care, youth and education, science and technology, private sector management, finance, and urban and rural development. The Center has established a strong network of partners, clients, and participants, drawn from development agencies, government agencies, universities, research and training organizations, industry associations and private enterprises, and civil societies. In addition, TDLC has played a catalytic role in the development of a dynamic network of GDLN affiliates in the East Asia and Pacific Region. Finally, TDLC has functioned since March 2009 as a technical hub that provides connectivity and videoconferencing services for DLCs in the region.

In May 2010 GoJ approved the Bank’s proposal for a second five-year project, TDLC Phase 2, to build on and extend the achievements of the TDLC. The key pillars of the Phase 2 project will be: (i) program initiatives on a “public good” model, to work collaboratively with partners to develop about two new courses each year in key strategic subject areas; (ii) expansion of TDLC’s cutting-edge services as a knowledge-sharing platform on development issues; and (iii) technology services and regional network development, to enhance TDLC’s technical hub functions and service delivery to all DLCs in the East Asia/Pacific and South Asia regions. TDLC will move toward being a knowledge management center on key subject areas, and will provide technology leadership, program creation, and capacity-building support to DLCs.

The Policy Dialogue Enhancement Support Fund
In FY10, the grant continued to support further enhancement of policy-level dialogue and interactions between the World Bank and Japanese stakeholders. Over 10 public seminars were organized to disseminate the Bank’s key messages to Japanese general public interested in development policies as well as those working on development issues. The grant also helped organization of outreach activities through the Public Information Center in Tokyo (PIC Tokyo) which arranged some 25 mini-seminars called “coffee hour” and other public events on development throughout FY10 and mobilized an active audience of over 800 in total. In addition, the grant supported translation and production of World Bank publications and information materials including annual editions of the World Bank Annual Report, PHRD and JSDF Annual Reports. The JSDF brochure was also produced in Japanese for the JSDF workshop held in November 2009, and a Japanese version of the IDA Brochure was disseminated to Japanese stakeholders to demonstrate IDA results.
Global Development Awards and Medals

The Global Development Awards and Medals Competition, launched in 2000, is a unique competition for promoting research on development. With the support of the Government of Japan, this competition seeks to unearth new talent and support innovative ideas on development. There are first and second prizes for the winning submissions in the two main categories: (i) the Japanese Award for Outstanding Research on Development (ORD) is given to the individual, group or institution whose proposals have a high potential for excellence in research and clear policy implications for addressing development issues and (ii) the Japanese Award for the Most Innovative Development Project (MIDP) to the organization whose project embodies a fresh approach to an important development need and holds the greatest promise for benefiting the poor in developing and transition countries. Nearly 6,500 researchers representing more than 100 countries throughout the developing and transitioning world have participated in this competition to date. Nearly US$2 million has been distributed in prizes and travel to finalists and winners.


Box 4: Global Development Medals and Awards

For the 2009 competition, ten entries were awarded for outstanding research and development projects and research in socio-economic development. A self-sustaining education project in Paraguay to be implemented by Fundación Paraguaya won the Japanese Award for MIDP. Fundación Paraguaya won the development grant for providing affordable, quality education to chronically poor youth in Paraguay. Called ‘The Financially Self-Sufficient School,’ the project finances itself without relying on long-term government support, donor funding or costly school fees. The project combines teaching agricultural and business skills within schools to generate income to cover 100% of costs. It argues that it is possible for even the poorest people to have access to education.

Two applicants from the Universidad de la República from Uruguay received the first prize in the Japanese Award for ORD. Universidad de la República’s research proposes to analyze the impact of trade openness and regional integration on Uruguayan firms’ performance, in order to assess whether they are winners or losers in the process. The second prize in the category went to a scholar from the Federal University of Minas Gerais, Brazil, for his proposed research on regional impacts of the economic slowdown in trade flows.

The Public Outreach Support Fund

The Phase III of the grant, established in 2009, continued to support the promotion of interactions and partnerships on development issues between the World Bank and Japan. The translation specialist and webmaster supported by the grant contributed to the visibility of the Bank Group’s presence in Japan through various translation products and websites. WB Tokyo’s website, one of the most visited sites of the WB offices in the region, deployed a new Results page to showcase projects supported by IBRD/IDA in the Japanese language. It also disseminated up-to-date information on recruitment. The World Bank Tokyo Office participated in events organized with other international organizations including the United Nations Day and International Global Festa, where the Bank booth attracted a lot of general public who are interested in development.

Strengthening Partnership between the World Bank and the Private Sector in Japan (Phase IV)

The Phase IV of the program continued to allow the Bank to provide Japanese contractors and consultants with advisory services for fair business opportunities on Bank-funded projects. The Business Information Advisor at the World Bank Tokyo Office has helped increase awareness among Japanese business consultants about Bank operations by providing updated information on the World Bank’s procurement policies and guidelines, operational procedures and processes, and business opportunities under Bank-financed projects and programs.

World Bank-Japan Partnership for Recruitment Support Fund

In FY09, GoJ joined the World Bank’s JPO program to enable more young Japanese nationals join the World Bank. GoJ also approved a PHRD grant in FY09 to support the selection process for the JPO program. Specifically, the grant supported the contracting of Human Resources specialists as Selection Committee members, hiring a Human Resources company to place advertisements and managing on-line applications. All of this is supervised by the World Bank’s office in Tokyo. The grant also supported information dissemination by organizing seminars and workshops to inform the public about the Banks’ recruitment programs.
Chapter 4: Other PHRD-Supported Programs

4.1 Introduction
The PHRD Fund also supports a number of other World Bank-administered programs, including the Japan-World Bank Staff and Extended Term Consultant (ETC) program, and other trust funds that receive contributions from Japan via the PHRD Fund.

4.2 Japan PHRD Staff and ETC Program
The objective of the Program is to facilitate the appointment of Japanese nationals as staff members or extended-term consultants at the World Bank, at grade levels of GF/EC2 and higher. The Program finances three categories of appointments: (a) ETC appointments for up to two years; (b) term appointments for a maximum of five years; and (c) open-ended appointments for an initial two years or until completion of the probationary period, whichever occurs first. The ETC category was introduced in FY05 and now accounts for over half of the total number of appointments under this Program. This category is attractive because it finances the full salary and benefits, and subsequently, they may be hired as term or open-ended staff with their associated costs financed by the World Bank.

In FY10, GoJ approved US$7.0 million for 31 staff positions, the highest number of grants in the history of the program. These grants include financing for 18 ETC (US$2 million), and thirteen term appointments (US$5 million). Since FY00, about 177 positions were financed, of which 54 percent were for ETC, 39 percent term, and 7 percent open-ended appointments. (Figure 5)

4.3 The Japan Junior Professional Officers (JPO) Program
Japan joined the JPO program in FY09 with an initial contribution of US$5.0 million. The purpose of this program is to increase the representation of Japanese nationals at the World Bank. So far, seven Japanese JPOs have been recruited under the program.

4.4 Other Programs Supported by PHRD Fund
In FY10, about US$6.3 million was provided to other programs, such as the CGIAR; Scaling Up Nutrition Investments; and CGAP.

The CGIAR is a global partnership whose main objective is to address the most pressing challenges that agriculture and rural development face to-day, particularly food insecurity and climate change. For more information please refer to: http://www.cgiar.org.

The CGAP was set up at the World Bank to increase the quality and quantity of sustainable microfinance institutions serving the poor. As a consortium of donor agencies and microfinance practitioners working together to bring microfinance into the mainstream, CGAP acts as a service provider to the microfinance industry by catering to the needs of three stakeholders, namely the MFIs, donor agencies, and the microfinance industry. CGAP serves these stakeholders through learning and dissemination of best practices, by helping to set up supportive policies for microfinance activities, by coordinating donor initiatives, and by channeling funds to broaden and deepen the outreach of MFIs serving the poor. For more information please refer to: http://www.cgap.org.

A new recipient-executed trust fund for International AIDS Vaccine Initiative was approved in FY10, into which GoJ has committed US$10 million from the PHRD Fund over five years, and the first tranche of US$2 million has been allocated.

Figure 5: Number of Staff Grants Approved from FY00 – FY10
5.1 Monitoring the Progress and Impact of PHRD Activities

The Concessional Finance and Global Partnerships Vice Presidency emphasizes results-focused reporting on trust fund-financed activities. Reporting on PHRD grants covers financial aspects, implementation status, and completion. The impact of the PHRD Program is assessed through overall Program-level evaluations. Impact not only takes time to measure but can also potentially raise methodological issues in attributing changes to specific earlier activities.

The Annual Reports of the overall PHRD Program and the JJ/WBGSP cover both financial aspects and progress in carrying out grant activities and achieving objectives. The Annual Reports are public documents, and are made available in both English and Japanese.

Audited financial statements (produced six months after the end of the FY) are prepared by external auditors and shared with GoJ. The Trust Fund Accounting Department prepares a detailed quarterly financial report for the PHRD program, which covers unaudited statements of the current year and cumulative transactions under all main PHRD Fund categories. These quarterly reports are also shared with GoJ.

In addition to the JJ/WBGSP Annual Report, WBI carries out tracer studies every two years to analyze the impact of the program on alumni who completed studies five to six years before. These studies are public documents. The latest tracer study was done in May 2007, and it was the seventh in this series, addressing the performance of 3,554 scholars who received scholarships between 1987 and 2006 by investigating specific achievements in terms of degree completion, return to home country, employment, professional progression and each alumnus’ perception of the benefits gained through the program. The findings and recommendations of the eighth JJ/WBGSP Tracer Study were reported in the FY07 Annual Report.

Occasional reports on the Japan PHRD Staff and ETC Program are prepared by the Global Partnership and Trust Fund Operations Department and provided to GoJ. All of these reports are available.
to GoJ through the Donor Center, an on-line reporting system which gives all donors access to information about their trust funds.

The main instrument for periodic internal reporting on the implementation status of the PHRD grants is the Grant Reporting and Monitoring (GRM) system. The PHRD Program Manager issues a requirement for the GRM reports on an annual basis. A comprehensive final report is prepared by each Task Team Leader in the GRM system after completion of grant implementation. For each grant exceeding US$1 million an Implementation Completion Memorandum (ICM) report is prepared. GRM and ICM reports are internal to the World Bank, but are used as a basis for reporting to donors. In addition, major programs and larger grants prepare Completion Reports, outlining the major achievements and lessons learned during implementation.

In addition, starting with FY07, PHRD began conducting annual reviews of the PHRD TA grants closed in the previous fiscal year. The purpose of such reviews is to provide feedback from grant implementation that can lead to program improvements and to allow for extended reporting on the results of the completed grants. The Reports on PHRD TA closed grants are available on the PHRD website.

5.2 Lessons

Many core lessons from previous years continued to be applicable to implementation in FY10. Technical assistance grants continued to show their usefulness in broadening, deepening, and enriching projects and programs. Project preparation grants, in particular, have helped maintain the quality of associated projects, by providing resources needed for design flexibility, extensive consultation with recipients and other stakeholders, and incorporation of lessons learned from programs and projects in other regions around the world.

In addition to the reminders of the importance of perennial factors, such as client ownership, stakeholder acceptance and understanding, donor coordination, and technical expertise, several projects yielded more detailed insights. These are listed in Box 5.

**BOX 5: SOME LESSONS FROM A SAMPLE OF FY10 CLOSED GRANTS**

- The legal framework for innovations may need to be postponed until the design and policy frameworks have been clearly articulated. Mistakes may be made, and time lost, if legislation is passed too quickly.
- Given the wide understanding of the importance of Monitoring and Evaluation (M&E), one way that can help keep this aspect of project management at the center of implementation is to have a component solely for M&E.
- Client capacity has many dimensions, and some of the shortfalls can be hard to anticipate. Flexibility in technical assistance provision can reduce delays when unexpected needs arise, such as inexperienced in selecting and managing local consultants.
- Economic viability is crucial for sustainability of projects, and this will generally involve building bridges to the private commercial and financial sectors.
- Technical solutions are often much simpler than the task of building an institutional and administrative framework that will create an enabling environment for application of the technical solutions.
- In addition to the healthy emphasis on inclusive dialogues with stakeholders, strong institutions, and civil society involvement as keys to project success, it is notable that skilled leadership can also make a major difference, especially in projects that require reform or system change.
- In regional projects, it is important to determine whether building national capacity needs attention first, before regional collaboration can grow.

The single most powerful lesson has been the continuing importance of early, constant, and open involvement of all levels of governments, civil society organizations, and the people likely to be affected by the projects and programs. Careful technical design still depends for success on the committed participation of beneficiaries and other stakeholders.
Chapter 6: Additional Sources of Information on PHRD & Programs Supported by the PHRD Fund

6.1 Information on PHRD

The major reference sources for more information on PHRD and the programs it supports are websites publicly available in English, and often also in Japanese and other languages.

The main PHRD website is http://www.worldbank.org/phrd.

This website includes details of the PHRD Technical Assistance program, the Japan-World Bank Partnership Program, and the Japan PHRD Staff and ETC Program. The website also provides access to PHRD Annual Reports in both English and Japanese, and to the Evaluations of the PHRD TA Program.


The JJ/WBGSP website is at www.worldbank.org/wbi/scholarships.

This website also provides access to the JJ/WBGSP Annual Reports and to their Tracer Studies.

The TDLC supported by the PHRD Partnership Program has its own website: www.jointokyo.org. This website is maintained in both Japanese and English languages.

6.2 Programs Supported by the PHRD Fund

Other programs supported through the PHRD Fund in FY10 are:

Consultative Group to Assist the Poorest (CGAP):
http://www.cgap.org

Forest Carbon Partnership Facility (FCPF):
http://www.forestcarbonpartnership.org/fcp/

Japan Junior Professionals Program (JPO):
http://go.worldbank.org/18fcy4nmv0
FY09 – FY13 Policy Document

1. Background and Objective. The Government of Japan (GoJ) will finance a new, restructured Japan Policy and Human Resources Development (PHRD) Technical Assistance (TA) program to assist eligible countries of the World Bank Group in enhancing their technical and institutional capacities. The duration of the new PHRD TA program would be from FY09-FY13. The overall policy framework and priority areas are being developed. This document provides the framework for the three pillars of the FY09-FY13 PHRD TA program. Other pillars will be added later.

2. Priority Areas: The FY09-FY13 PHRD TA program will focus on three thematic pillars:
   - Pillar I – Agriculture and Rice Productivity Enhancement Research and Development:
     (i) Development of rice seeds resistant to heat and drought by the International Rice Research Institute (IRRI) and/or West Africa Rice Development Association (WARDA);
     (ii) Africa Rice Research and Productivity Development Program

3. Eligible Countries. Unless otherwise stated in the specific Operating Guidelines, all World Bank borrowing member countries are eligible.

4. Grant Implementation Period. The PHRD TA grants will have a maximum implementation period of four years from the date of the counter-signature of the grant agreement by the recipient.

4.1. Project design. When designing projects, the Bank is encouraged to emphasize creation and accumulation of the disseminable knowledge by utilizing appropriate methodologies such as impact evaluation, as well as to optimize effectiveness.

4.2. Grant Types. Grants may be of the following types:
   (i) Capacity Building
   (ii) Co-financing of Bank-financed or managed operations; and
   (iii) Pilot Projects – Implementation of pilot projects.
5. **Eligible Expenditures.** Unless otherwise stated in the specific Operating Guidelines, the eligible expenditures include: (i) consulting services; and (ii) non-consultant costs for local training, minimal equipment, and operating costs essential to carry out the technical assistance. Workshops, local consultations, and training may be included if the requests clearly demonstrate these activities will enhance the quality of the technical assistance.

6. **Ineligible Expenditures.** Unless otherwise stated in the specific Operating Guidelines, the following expenditures are not eligible: (i) salaries for civil servants in recipient countries hired as consultants or otherwise; (ii) foreign training or study tours; and (iii) purchase of motor vehicles.

7. **Grant Execution Arrangements.** All grants are to be executed by the grant recipients. Exceptions may be made for grants to be Bank executed with strong justification based on technical complexity of the activities, multi-country scope and/or absence of an organization to implement the proposed grant activities.

8. **Program Administration Costs.** In order to cover the costs of FY10 PHRD Program Administration CFP may establish a Bank Executed Trust Fund to cover costs up to a limit to be agreed in an exchange of correspondence with MOF. All expenditures necessary for Program Management are eligible.

9. **Call for Proposals.** The Concessional Finance and Global Partnerships Vice Presidency (CFP) will invite proposals from the Bank's Regional Vice President (RVP) Units and the Networks informing them of the total amount available for each fiscal year and allocations for activities in each Pillar.

10. **Submission of Grant Proposals.** The PHRD Unit in the Global Partnership and Trust Funds Operations (PTO) of CFP will submit all the eligible grant proposals submitted by the RVP units and Networks to GoJ for approval.

11. **Review Procedures of Grant Proposals.** Proposals will be reviewed for technical feasibility and compliance with the PHRD TA procedures. See specific Operating Guidelines for the details of the technical review process.

12. **Bank’s Fiduciary Responsibilities as Grant Administrator.** All grants will be supervised by the Bank in order to ensure compliance with the Bank’s Procurement and Financial Management Guidelines (as for World Bank loans and credits).

13. **Changes in Grant Objectives.** Substantial changes in the grant’s development objectives after approval by GoJ would need to be referred to GoJ for re-approval. A request for changes in the development objectives with a justification has to be sent to the PHRD Unit for review and submission to GoJ for re-approval.

14. **Reallocation of Funds among Expenditure Categories or Activities.** Reallocation among expenditure categories or grant activities, including dropping of approved, or adding of new eligible categories or grant activities, should be cleared by the Sector Manager/Director. Clearances from Legal and Financial Management Specialists are required for any amendments to the Grant Agreement which should be signed by the Country Director.

15. **Consultation with Officials of the Embassy of Japan, Japan International Cooperation Agency (JICA) and Visibility of Japan’s Assistance to the PHRD TA Program.** Please refer to the Guidance Note on Visibility of Japan attached to this document. The World Bank is encouraged to enhance effectiveness and synergy through sharing project information and knowledge with JICA appropriately.

16. **Progress Reporting.** For the purposes of monitoring the development outcomes, the Grant Agreement — based on the Grant Funding Request — will be the binding document. The Task Team Leader will be responsible for preparing an annual grant implementation status report in the Grant Reporting and Monitoring (GRM) system, rating the status of grant implementation, and documenting the completion of deliverables and outputs. For grants over US$1 million, an Implementation Completion Memorandum (ICM) will be prepared at completion of the grant financed activities. The ICM will document the actual cumulative inputs, outputs and outcomes of the grant. For grants under US$1 million, the final Grant Status Report will include additional information regarding grant activity outcomes.
The summary of the grant activities and result will be shared with the donor by the PHRD Unit in PTO. In addition to the reporting on individual projects mentioned above, the World Bank is required to provide a concise report on comprehensive progress and results on the each thematic pillar in paragraph 2 at appropriate opportunities such as annual meetings with the MOF trust fund office or policy dialogues between the GoJ and the Bank.

17. **Maintenance of Documents.** Operational departments will keep copies of key documents related to PHRD TA grants, including Terms of Reference and contracts for consultants subject to the Bank’s prior review, reports and reports prepared by consultants, in accordance with the Bank’s document retention policy. Task teams should send the original Grant Agreement and Disbursement Letter to the Legal department of the RVP Unit.

### FY09-FY13 PHRD Technical Assistance Program: Actual and Indicative Allocation

<table>
<thead>
<tr>
<th>ALLOCATIONS BY PILLAR</th>
<th>AMOUNT (US$ MILLION)</th>
</tr>
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<tbody>
<tr>
<td><strong>Pillar I:</strong></td>
<td></td>
</tr>
<tr>
<td>(i) Development of rice seeds resistant to heat and drought by the IRRI and/or WARDA</td>
<td>Actual 20 (over 5 years)</td>
</tr>
<tr>
<td>(ii) Africa Rice Research and Productivity Development</td>
<td>Actual 80 (over 5 years)</td>
</tr>
<tr>
<td><strong>Pillar II:</strong></td>
<td>Indicative</td>
</tr>
<tr>
<td>Activities under the Disaster Prevention program (to be determined).</td>
<td>Indicative 50 (over 5 years)</td>
</tr>
<tr>
<td><strong>Pillar III:</strong></td>
<td></td>
</tr>
<tr>
<td>Other Activities Consulted and Agreed between the Ministry of Finance of the Government of Japan and the World Bank: (To be determined)</td>
<td></td>
</tr>
<tr>
<td>- Pacific Catastrophe Risk Financing Initiative Phase 2:</td>
<td>Actual 1.32</td>
</tr>
</tbody>
</table>

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5. *Includes the International Bank for Reconstruction and Development, the International Development Association and the International Finance Corporation, all referred to hereafter as the Bank.*

6. *There are separate Operating Guidelines for each program activity except for Pillar I (i) as this will be the subject of a direct transfer to CGIAR.*

7. *Detailed concept of development is as follows; development of the next generation of New Rice for Africa (NERICA) and other new high yielding rice varieties and hybrids — with improved stress tolerance and insect resistance — and tailored to the consumption preferences of African consumers.*

8. *Considering the length and size of the project, implementing agencies are required to prepare a proposal with clear and concise results, and provide explanations on progress and interim results appropriately in addition to progress reports mentioned in paragraph 15.*

9. *The Bank may consider waiving the requirement for recipient execution in accordance with Bank policy (see OP 14.40) in the following cases: emergency operations and post conflict countries.*
Annex 2: Guidance Note on Visibility of Japan

Japan Policy and Human Resources Development (PHRD) Technical Assistance (TA) Program

Introduction

The Government of Japan (GoJ) has contributed to the Policy and Human Resources Development Technical Assistance Program in support of work by, and on behalf of, World Bank borrowing countries since 1990. The purpose of this note is to provide guidance on measures to ensure that the contribution of Japan in supporting PHRD is widely recognized.

Statement on Visibility

The Annual Policy Document provides the following clause on Consultation with Local Japanese Officials and Japanese Visibility:

Consultation with Local Japanese Officials. In order to ensure harmonization and coordination, Bank task teams are required to consult with the Embassy of Japan accredited to the recipient country about the PHRD grant application before submission of the proposal to CFP for review. Such consultation and information sharing by task teams will help expedite the decision-making process. In addition, Bank task teams are encouraged to share the information about progress and outcomes of PHRD projects with the Embassy of Japan and other Japanese aid agencies in the field.

Japanese Visibility. Bank task teams are asked to help promote the visibility and local awareness of PHRD in recipient countries through the following types of activities:

(a) Publications, training programs, seminars and workshops financed by PHRD grants should clearly indicate that the activities in question have received funding from the Government of Japan;

(b) The logo (usually the Japanese national flag) should be used in publications financed by the PHRD program, and in banners and any other materials used in seminars and training programs financed by PHRD grants;

(c) All press releases issued by the Bank with respect to PHRD grants should refer to the financial contribution from the Government of Japan;

(d) Recipients should be encouraged to ensure that PHRD-financed activities are well covered by local print and electronic media, and that all related publicity materials, official notices, reports and publications explicitly acknowledge Japan as the source of funding received;

(e) Grant signing ceremonies in the field should be encouraged, with the Recipients being encouraged to include Japanese embassy officials and to invite local and international press to these ceremonies.

In addition, CFP may promote visibility of PHRD by: (i) informing Country Directors of the importance of signing ceremonies to Japanese officials and the public to ensure recognition and support for PHRD funding; and (ii) continuing widespread distribution of the PHRD Annual Report, inclusion of PHRD information in relevant Bank documents, and occasional information sessions for Japanese organizations. A Guidance Note providing samples of other ways to improve visibility is attached.
**The PHRD TA Program’s Logo**

The logo (usually the Japanese national flag) will be used on the PHRD website. All grant approval notifications to the Regions will include this guidance note and a “Word” and a “PDF” version of the logo for use by the Bank and the grant recipients. The Bank will make every effort to ensure that: (i) publications, training programs, seminars, workshops, financed by the PHRD grants clearly indicate that the activities in question have received funding from the Government of Japan; (ii) all press releases issued by the Bank with respect to the PHRD grants refer to the financial contribution of Government of Japan; and (iii) the logo is used in publications financed by the PHRD program, banners and any other materials used in seminars and training programs financed by the PHRD grants.

**Ceremonial Events**

Country Directors will, at the same time as the task teams, receive notification of grant approvals and will be informed of the importance of signing ceremonies to Japanese officials and the public. At grant signing ceremonies and other publicity events, the Bank’s country-based staff are expected to foster the attendance and participation of country-based officials of the Embassy of Japan in a manner that provides due recognition of their donor status. Grant recipients should take the lead in organizing such ceremonies, and whenever possible, Recipients should issue the formal invitation to attend. Such ceremonial events should also be alerted to the media and publicity outlets referred to above.

**Visibility from Headquarters**

Country-based Bank staff is requested to forward copies of all visibility material, such as press releases, newspaper and magazine articles, and photographs (including descriptive captions) to the following address:

- PHRD Unit
- Mail Stop H 3-305
- Global Partnership and Trust Fund Operations
- Concessional Finance and Global Partnerships
- The World Bank
- Washington, DC 20433
- USA

**Local Publicity Opportunities**

In addition to use of the logo, Bank staff is urged to take all appropriate measures to encourage Recipients to ensure that PHRD TA-financed activities are well covered by local print and electronic media, and that all related publicity materials, official notices, reports and publications explicitly acknowledge Japan as the source of funding received. Below is a standard text suggested for use by those who prepare publicity materials: “The grant which financed this (name of activity) was received under the Policy and Human Resources Development Technical Assistance Program which is financed by the Government of Japan.”

Many Bank Country Offices periodically publish newsletters. New grant approvals and signing should be publicized in these newsletters. Most country offices have Communications staff. Task Teams are encouraged to consult with them on ways to increase the visibility of Japan regarding PHRD grants. Opportunities to publish articles on high visibility projects prepared with the PHRD TA grants should be explored and utilized.

Task teams are advised to brief the Country Managers/Country Directors about the implementation status of PHRD grants. Such information will help the Country Offices highlight Japan’s contribution, where relevant, in their meetings and presentations in seminars and workshops.