Background

The Japan Fund for Poverty Reduction (JFPR) was established in May 2000 and provides direct grant assistance to the poorest and most vulnerable groups in developing member countries (DMCs) of the Asian Development Bank (ADB) while fostering long-term social and economic development. The grants target poverty reduction initiatives with the direct participation of nongovernment organizations (NGOs), community groups, and civil society. Contributions totaling $446 million have been received from the Government of Japan as of 30 December 2010.

An external evaluation in 2007 found the JFPR relevant, efficient, effective, and sustainable and that the fund aligns with ADB’s strategic objectives, while individual projects align with country partnership strategies and national poverty reduction strategies.¹

A separate fund, the Japan Special Fund (JSF) was established in 1988 when Japan and ADB agreed to provide financial support for ADB’s technical assistance (TA) program in the form of an untied grant. On 6 October 2009, ADB’s Board of Directors approved the Revised Operating Framework for JFPR combining Japan’s project grant and TA support under one umbrella. The role of TA provision of the JSF was thus assumed by the JFPR starting in 2010.

Objectives

- Add substantive value and development impact to ADB assistance through grants for poverty reduction and TA activities, in line with ADB’s agenda as articulated in its long-term strategic framework 2008–2020 (Strategy 2020)²
- Be compatible with and complementary to the broad thrusts of the country partnership strategies

JFPR Project Grants

- support well-targeted poverty reduction and social development activities that have a direct impact on the poor and on socially or economically excluded or vulnerable groups;
- stimulate the self-help capacities of the poor;
- stimulate widespread stakeholder participation at the community level; and
- provide a systematic impact on DMCs’ operations and approaches toward sustainable poverty reduction.

JFPR Technical Assistance Grants
• enhance the capacity of executing agencies and other development partners, including implementing and operating projects;
• formulate and coordinate development strategies, plans, and programs; and undertake studies related to sectors, policies, and issues;
• improve knowledge about development issues in Asia and the Pacific and foster inclusive growth, environmentally sustainable growth, and regional cooperation and integration among DMCs; and
• identify, formulate, and prepare development projects.

Eligible Activities and Sectors
Projects
• Aim directly at poverty reduction, and provide innovative and demonstrable impacts on poverty reduction.
• Have strong relation to and enhance the effectiveness of ADB operations.
• Typical activities are (i) provision of basic economic and social services, (ii) support for social development funds, (iii) support for development of NGOs’ activities for poverty reduction and social development, (iv) project support activities, and (v) social protection.

Technical Assistance
• Capacity development TA, policy and advisory TA, research and development TA, and project preparatory TA
• TA components of development projects or programs financed under loans from ADB
• May be provided to one DMC or more than one DMC (regional TA)

Voices from the Poor
Since its establishment in 2000, more than 130 JFPR projects have been implemented across Asia and the Pacific. More than 50 projects have been completed, and their results and lessons have been documented in project reports to help guide similar interventions in the future. The scope and thematic focus of projects are varied, but one thing is common: the projects all work with the poorest and most vulnerable communities and households with the objective of improving their social and economic conditions.

Number of Government of Japan-Approved Japan Fund for Poverty Reduction Projects, 2000–2010

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<tr>
<th>Year</th>
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<td>2010</td>
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Below are some examples of ongoing, as well as completed, projects that feature people whose lives have improved as a result of the JFPR.

**JFPR 9009: Supporting Livelihood Improvement for the Poor through Water Management Associations (Bangladesh).**

This $0.9 million project built up capacities for self-governance of water management associations and helped them set up livelihood activities, such as fish culture, animal and poultry raising, and small trading. Lal Banu, 37, with her husband, two sons, and a daughter, struggled to live on her husband’s small income, which he earned 9 months a year...
as a migrant agricultural laborer. Under the JFPR project, she trained in dressmaking. Soon after, she bought a sewing machine with her meager savings and the conveyance allowance that she received from the training. Now she gets two–three orders every day from which she can earn $1 per day while continuing to perform her usual household activities. She is now the main earner for the family, with monthly savings of $7. She is also able to put her son, now in grade 3, through school.

“Thanks to the project and, with the help of the Almighty, I am sure to increase my business to earn an income of $3 a day in the near future to live a life much better than the past.”

Lal Banu. “Thanks to the project and, with the help of the Almighty, I am sure to increase my business to earn an income of $3 a day in the near future to live a life much better than the past.”

JFPR 9061: Improving Primary School Access in Disadvantaged Communes (Cambodia). The project rehabilitated schools and provided additional classrooms and equipment. Roofs were repaired, toilets were constructed, water supply was ensured, and school desks and chairs were provided to the project schools. At the same time, school and parent committees were established and strengthened so that they could more effectively plan, execute, and monitor their respective

“I can now support my son’s education and wish him to get the highest degree of a university, which I could not provide to my elder son and only daughter, who got married at the age of 13, due to economic hardship...,“ says Lal Banu.

Lal Banu of Chuadanga Sadar, Chuadanga District, Bangladesh
school improvement programs together with the provincial and district education officers.

Lorn Rith, director of Boeung Kachhang Primary School, Koh Kong Province, said: “Before, students studied under trees’ shade, and we had to cram into a small space whenever the rain started. It was very hard for us and our teachers to concentrate on our education, and what had worried us a lot was that we were not able to continue our education up to higher grades as our school did not have enough classrooms. Some students decided not to go to a school in a nearby island because they were too small to travel on boats.”

“We are very pleased that our school has been upgraded, so that we can provide full primary education (grades 1–6) to all children living on this island. We thank ADB and JFPR for their handy assistance to our urgent need.”

JFPR 9076: Public Works Restoration and Rehabilitation of Line Drainage Systems of Tsunami-Affected Local Government Roads (Sri Lanka). Responding to the devastation caused by the 2004 tsunami, the project restored road drainage systems while creating opportunities for the tsunami victims to earn. About 4,500 tsunami-affected poor people helped rehabilitate approximately 500 kilometers of local drainage systems over 12 months under a cash-for-work scheme. The project was the product of discussions among various stakeholders, including the Embassy of Japan, the International Labour Organization, and other donors. Letters from project beneficiaries, religious leaders, and local authorities expressed their appreciation for the JFPR.

“We, the residents of Welipatanwela Grama Seva Niladari Division in Ambalantota, are grateful to ADB for providing us with a cash-for-work program paying $3.60 per day per person. All our assets and belongings were taken away by tsunami water to the sea. We were helpless and faced a sad situation. Fortunately, the program helped us rehabilitate access roads and overcome our difficult situation.”

Society of Tsunami Affected People, Welipatanwela, Ambalantota, Hambantota District, Sri Lanka

Men and women take part in clearing up a roadside drainage canal that had been destroyed by the tsunami.
“This project did a lot to help vulnerable people...After the repair of rural roads, movement between villages is improved.”

A. Sharipov, Chair, Qalai Surkh Jamoat, Tajikistan

Local villagers fill in huge craters in this rural road, which serves as their lifeline to markets, schools, and clinics.

“It also helped us improve our day-to-day economic life. Thank you very much.”
Signed by 34 members of the Society of Tsunami Affected People, Welipatanwela, Ambalantota, Hambantota District

“Disastrous tsunami waves took away all our belongings, leaving us only the clothes on our backs. Although several organizations came to assist us, this project has been much more effective as it provided an opportunity for us to work and earn a monthly income for a period of time.”
M. Yamuna Mendis, Beneficiary Group Leader Daluwathumulla, Telwatte, Galle District

JFPR 9078: Community-Based Rural Road Maintenance (Tajikistan). This project reduced rural poverty and raised the living standards of rural communities by increasing their access to basic social, economic, and income-generating activities. At the same time, it established a sustainable and cost-effective community-based road maintenance system in the project areas. About 350 kilometers of rural roads were improved, giving the poor villages better access to schools, clinics, markets, and regional economic centers.

“The population of the B. Rahimzoda Jamoat thank the Government of Japan for JFPR Grant 9078-TAJ under which was conducted the repair, improvement, rehabilitation, and winter maintenance of the roads of Shingilich, Dehi Hojaali, Jingon, Yashm, Shohindara, and Pojei Poyon villages.”
N. Ismatov, Chair, B. Rahimzoda Jamoat

“The rural roads of Nigoba, Oluchahako, Chugdakbijon, Shulhob, and Host villages were repaired and, over a period of 3 years, about 70–80 villagers were provided work and have now improved their living standard...This project did a lot to help vulnerable people...After the repair of rural roads, movement between villages is improved. The villagers can easily go to the district and jamoat (commune).
centers, bring their produce for sale to markets, and improve their living standards."
A. Sharipov, Chair, Qalai Surkh Jamoat

**JFPR 9092: Immediate Support to Poor and Vulnerable Households in Inaccessible Areas Devastated by the 2005 Earthquake (Pakistan).** The grant provided immediate assistance to approximately 8,000–10,000 poor and vulnerable households (including households headed by women and disabled persons) in the largely inaccessible earthquake-affected areas (1,500 meters above sea level), so that they could begin restoring their means of livelihood. This was achieved by giving farmers and their families farming inputs, such as goats and poultry, feeds, and animal sheds. Community infrastructure that was destroyed by the earthquake was rehabilitated. At the same time, families were trained in health and sanitation.

“We lost everything in the devastation and chaos that followed the earthquake, including our cattle and chickens. But now, thankfully, I have a flock of hens that gives eggs and is a source of nourishment and income I thought I would never live to get,” said 101-year-old Saleema of Said Pura, Leepa Valley. Saleema is a widow eking out a living by cultivating a very small piece of land. She was selected to receive poultry under the livelihood improvement project for earthquake-affected people.

“Of the nine birds, one is a cockerel while the remaining are hens and, on average, the hens lay eight eggs a day, which fetches me a healthy price of $0.07.” As a result, she now earns $0.47–$0.58 per day by selling the eggs to the nearby shopkeeper. Some eggs she uses for her family’s nourishment.

Araizaan Bibi, another widow living in the same village, received a poultry package of 25 birds.

“...now, thankfully, I have a flock of hens that gives eggs and is a source of nourishment and income I thought I would never live to get.”

Saleema of Said Pura, Leepa Valley, Pakistan

Thanks to a poultry package comprised of 25-day-old inoculated chickens and materials to construct a coop, this woman—and more than 8,000 households like hers—has means to fortify the family’s diet and can get additional income from the sale of eggs.
feeds, and construction material. She lost 14 of the chicks that were too young to bear the freezing weather. However, her remaining hens are producing six to eight eggs per day, from which she earns $0.41–$0.52 per day. Prior to this, her only source was aid money of $16 every 3 months from the government. Araizaan is happy that the poultry scheme has empowered her economically and has become an important source of income for her to support her family.

**Partnerships with Civil Society**

The JFPR is a tool for local communities and civil society organizations, including NGOs, to actively participate in the development process.

**Building Partnership**

The community group or NGO may collaborate in conceptualizing and designing the proposed grant with the ADB project officer currently managing an existing and related ADB-financed project. However, only ADB staff can officially submit JFPR applications. Civil society groups are advised to establish contact with the country teams directly or through the NGO liaison officers/Civil society specialists in ADB field offices.

**Execution of Grants**

The JFPR grants may be executed by recipient governments (central or local), public institutions, or by civil society organizations, including NGOs. Procurement of services of, and implementation of specific grant activities by civil society organizations should be in accordance with ADB’s procurement guidelines.

**Processing of Grant and TA Proposals**

- Project or TA proposals can be submitted only by ADB staff. Interested proponents must therefore contact ADB staff from an ADB Country Office or Sector Division at Headquarters;
- Following intra-departmental review and approval by the Director General, the ADB staff submits to the Government of Japan, through the Office of Cofinancing Operations (OCO), the grant proposal application using the JFPR Project or TA proposal template;
- OCO reviews the application or seeks clarification from proponent staff to ensure consistency with JFPR objectives and guidelines;
- OCO recommends to the Government of Japan if the application meets JFPR criteria; and
- The Government of Japan approves, rejects, or seeks further clarification.

For further information about the JFPR, please contact

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