

Use of Proceeds of “JICA Gender Bonds”

The bond proceeds will be allocated to JICA’s Finance and Investment activities account and will be specifically used for projects where 1) the main objective is gender equality or 2) the important and deliberate objective is gender equality but not the principal reason for undertaking the project as defined by the OECD-DAC Gender Equality Policy Marker. The funds will not be knowingly allocated to any activities related to coal-fired power generation.

JICA Gender Bonds’ features remain the same as previous JICA bonds such as the financial instrument to contribute to achieving the Sustainable Development Goals (SDGs), which is described in the “SDGs Implementation Guiding Principles Revised Edition (2019)” set by the Japanese government.

An amount equal to part or all of such net proceeds may be allocated to investments in one or more “Eligible Projects” in developing countries classified by the United Nations and the World Bank.

“Eligible Projects” means projects selected under the Development Cooperation Charter, which was endorsed by the Japanese government in 2015 with the aim to proactively contribute to peace, stability and prosperity in the international community. Through each Eligible Project, JICA strives to promote socio-economic development of developing countries and address challenges to the Sustainable Development Goals (SDGs) adopted at the UN Sustainable Development Summit.

Eligible Projects will be subject to on-site monitoring by JICA’s overseas offices. During the monitoring stage of any project, JICA may confer with the recipient country government or recipient company where necessary, with a view to ensuring the smooth and efficient implementation of the project. Disbursements are often made over a period of time depending on the project’s schedule. Eligible Projects will be subject to periodic progress reports that must be submitted to JICA by the recipient. JICA supervision of an Eligible Project may extend to both implementation of the project (including construction, engineering, institutional development, etc.) and all aspects of the loan process.

In addition, JICA will, in principle, conduct an ex-post-evaluation process within three years of the completion of an Eligible Project. Such evaluations are published on JICA’s website and an Evaluation Report is issued annually. JICA has obtained a second party opinion from the Japan Research Institute to confirm the alignment of the bonds with the ICMA Social Bond Principles.