

June 29, 2018

JICA Bonds Listed on the TOKYO PRO-BOND Market
To Contribute to the Sustainable Development Goals

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“Leading the World with Trust” – JICA unveiled its new organizational vision in July of last year. The world we aspire to is one that is free, peaceful and prosperous, and one in which people can hope for a better future and explore their diverse potentials. Toward achieving such a world, we are tasked with the crucial role of forging bonds with our partners to connect the world with trust.

The Sustainable Development Goals, or SDGs, that were adopted by the United Nations in September 2015, along with the Development Cooperation Charter established by the Government of Japan, are vital guiding principles for JICA when we carry out our cooperation efforts in developing regions. One of the essentials of the SDGs is represented by the key phrase “collaborative partnership.”

JICA has a number of types of assistance available for cooperating with our partner developing regions. Of those types of assistance, Finance and Investment operations provide a relatively large amount of development funds at concessional terms while supporting growth and development efforts in developing regions. In 2008, JICA began issuing securities known as JICA bonds as one way to raise funds for this Finance and Investment operations. Then in September 2016, we began to continuously issue Social Bonds on the domestic bond market. Today, JICA is the only entity issuing Social Bonds in Japan, and as the importance of environmental, social and governance investment has grown in capital markets, we have seen how widespread the pool of JICA bond investors has become.

With this background, JICA bonds issued yesterday were listed on the TOKYO PRO-BOND Market in the amounts of 15 billion yen in 10-year bonds and 10 billion yen in 20-year bonds. The TOKYO PRO-BOND Market falls under both the Asian Bond Market Initiative, a policy being advanced by the Government of Japan, and the initiatives for the Tokyo Global

Financial Center being promoted by the Tokyo Metropolitan Government. JICA bonds are the first listing on the dedicated platform for Green and Social Bonds launched by the TOKYO PRO-BOND Market in January of this year. We are delighted to play a part in moving such important initiatives forward.

The JICA bond issuance forges a link between our investors' aspiration for social contributions and the desire we all have to solve social issues in developing regions, a link that is one of true partnership and that also contributes to the JICA vision mentioned earlier, "Leading the World with Trust." I hope that this listing will be an opportunity for more investors to learn about our efforts and about the bonds we are issuing.

In order to achieve sustainable growth in developing regions, extensive funding is required. As an example, a report issued by the Asian Development Bank in 2017 estimates that 22.6 trillion dollars, or more than 1.5 trillion dollars per year, in infrastructure would be needed by 2030 in order for developing countries in the Asia-Pacific region to sustain their current levels of economic growth. Meeting that demand with only conventional public funding, including the Finance and Investment operations that JICA provides, would be insufficient, and mobilizing additional financial resources for developing regions from multiple sources through the catalyzation of cooperative partnerships with stakeholders is one of the SDG targets. Building on that, the Government of Japan specifies the mobilization of domestic private funds through the issuance of JICA bonds as one measure in the "SDGs Implementation Guiding Principles" which was formulated in December 2016.

With cooperation from the Japan Exchange Group, JICA is developing technical cooperation toward fostering bond markets in developing regions. In addition to meeting the funding needs for sustainable development in developing regions, we are playing a vital role in contributing to the achievement of SDGs through the development of capital markets.

JICA is both a participating member in the capital market and a practitioner contributing to development in developing regions, and furthermore, JICA is working as a partnership mediator to build better relationships with investors and other stakeholders while exerting our best efforts for sound development in the international economic community.

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