

Summary of the Terminal Evaluation

I. Outline of the Project		
Country: Kyrgyz Republic	Project: Kyrgyz Republic-Japan Center for Human Development Project	
Sector: Support for the transition to a market economy	Cooperation scheme: Technical cooperation project	
Division in charge: Japan Center Team, Social Development Department	Cooperation amount (at the time of evaluation): About 730 million yen (up to the end of FY2006)	
Period of cooperation	(R/D): Apr. 1, 2003 to Mar. 31, 2008	Partner country's implementing organization: Kyrgyz National University
		Supporting organization in Japan: The Japan Foundation
		Other related cooperation: Grant Aid
<p>1-1 Background to and outline of the cooperation</p> <p>After the collapse of the USSR, the Kyrgyz Republic (hereinafter referred to as “Kyrgyz”) proceeded with the transition to a market economy based on the idea that economic growth through the activation of a market economy would greatly contribute to poverty reduction. Kyrgyz immediately adopted radical measures, such as the issuance of its own currency and participation in the WTO, basically in order to develop trade, introduce foreign capital, and promote priority domestic industries. However, because Kyrgyz is short of natural resources and is in an extremely inconvenient location in terms of transport access, it could not produce competitive export products and its investments became sluggish, with the result that Kyrgyz has not been able to overcome an unstable economic situation. In this situation, it has become essential for Kyrgyz to establish leading industries, strengthen its weak industrial foundations by attracting foreign capital, develop the supporting human resources, organizations, and systems, and improve the economic infrastructure.</p> <p>On the other hand, JICA began to develop practical human resources that support the transition of Asian countries to a market economy and realize “aid with a Japanese flag”, and it has carried out Japan Center projects since 2000. In Kyrgyz, the Kyrgyz-Japan Center was already inaugurated in 1995 by the Kyrgyz Government and the Friends of the Global Fund, an international organization. When the Friends of the Global Fund was discontinued in April 2003, JICA took over the Kyrgyz-Japan Center project as one of JICA's Japan Center projects.</p> <p>Because of this, JICA and the Kyrgyz National University (hereinafter referred to as the “KNU”) signed a Record of Discussions (R/D) in March 2003 to start the Kyrgyz-Japan Center for Human Development (hereinafter referred to as “KRJC”) Project (from April 2003 to March 2008). The KRJC has so far carried out activities to develop human resources for the transition to a market economy, promote mutual understanding between Kyrgyz and Japan, and deepen friendship between both countries, adopting the following as three main pillars: 1) provision of business courses to develop practical human resources for the transition to a market economy; 2) provision of Japanese language education (Japanese language courses) suitable for various levels of learners; and 3) mutual understanding programs.</p> <p>1-2 Contents of the cooperation</p>		

The KRJC provides business courses and Japanese language courses and carries out mutual understanding programs and other activities to develop human resources for Kyrgyz's transition to a market economy and promote mutual understanding between Japan and Kyrgyz.

(1) Overall goal

- 1) The process of transition to a market economy in Kyrgyz will be enhanced.
- 2) Mutual understanding and friendly relations between the two countries will be reinforced.

(2) Project goal

- 1) The Japan Center will play a key role in human development of Kyrgyz toward a market economy.
- 2) The Japan Center will promote mutual understanding between the peoples of the two countries through information services and other programs.

(3) Outputs

- 1) The Japan Center will be managed efficiently and effectively, and accessible for the general public.
- 2) Business courses will be continuously offered to provide practical knowledge and skills on the market economy. The implementation of the courses will gradually be localized.
- 3) Japanese language courses will be continuously offered to fulfill the needs of general public, professionals in business and public sector, and Japanese language teachers. The implementation of the courses will gradually be localized.
- 4) Publication and visual materials related to Japan in such fields as economy, society and culture will be provided. In addition, the Japan Center will be fully utilized for activities for exchange programs between the two countries.

(4) Inputs (at the time of evaluation)

Japanese side:

Dispatch of long-term experts: 7 experts Provision of equipment: about USD600,000
 Dispatch of short-term experts: 40 experts Sharing of local costs: USD1,147,401
 Acceptance of training participants: 26 participants

Kyrgyz side:

Placement of 1 counterpart
 Provision of a site and facilities: the whole 2nd floor and a part of the 3rd floor of KNU Building 7 (850 m² in total)
 Sharing of local costs: payment of utility costs

II. Outline of the evaluation team

Team members	Leader: Mr. Shinji UMEMOTO (Team Director of the Japan Center Program Team, First Group of the Social Development Department, JICA) Evaluation Analysis for Japanese Language Course: Mr. Toru SAKAIDA (Expert of the Japanese-Language Institute, Kansai, The Japan Foundation) Cooperation Planning for Japanese Language Course: Ms. Yuri TAKEDA, Dispatch and Support Division, Japanese-Language Department, The Japan
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	Foundation) Evaluation Analysis: Mr. Nobuhisa IWASE (Partner, IMG Inc.) Cooperation Planning: Mr. Hiroaki ADACHI(Japan Center Program Team, First Group of the Social Development Department, JICA)	
Period of the evaluation	September 17 to October 2, 2007	Type of evaluation: Terminal evaluation
III. Outline of the evaluation results		
3-1 Confirmation of the achievements		
(1) Status of achievement of the outputs		
Output 1		
<p>About 30 staff members and lecturers, including 10 full-time staff members, have been placed appropriately and have improved their capabilities through technical transfer by OJT from experts and other means, with the result that KRJC has been managed efficiently and effectively. On the other hand, many staff members have resigned from the KRJC in order to study abroad. In addition, it has been pointed out that there is a gap between the capability level and the salary level.</p> <p>With regard to the revenue-expenditure balance, although there has been a system for collecting tuition and membership fees since September 2005, the ratio of revenues to the total expenditures has remained at a level of 6 to 16%.</p>		
Output 2		
<p>The KRJC mainly provides the courses listed below. Because the participants are highly satisfied with the courses, it can be said that the output, namely, the provision of practical knowledge and skills for the transition to a market economy, has been achieved.</p>		
(1) Course A (practical business management course: 3 months): 140 participants		
(2) Course B (focus industry course: 3 weeks): 41 participants		
(3) Course C (focus topic course: about 10 days): 267 participants		
(4) Course D (various seminars: 1 day): 1,797 participants		
<p>In addition, the training of local lecturers has advanced and the local lecturers' share of the lecture hours greatly increased from 13.4% at the beginning of the Project to 51.3% in April to July 2007. Thus, it can be said that localization has been gradually progressing.</p>		
Output 3		
<p>The KRJC mainly provides the courses listed below. Because the participants are highly satisfied with the courses, it can be said that the Japanese language courses are of sufficiently high quality to fulfill the needs.</p>		
(1) Regular courses (4 courses: Elementary I, Elementary II, Intermediate I, Intermediate II): Of the 332 participants, 210 completed the courses.		

- (2) Advanced course (4 months): Of the 80 participants, 42 completed the course.
- (3) Video course (development of pro-Japanese sentiment through the learning of elementary level Japanese language): Of the 382 participants, 225 completed the course.
- (4) Japanese language test preparation course, interpreter/translator course: 62 participants

On the other hand, because Kyrgyz is short of local lecturers with sufficient ability and experience, technical transfer to local lecturers has become an issue.

Output 4

As described below, it can be said that the output, namely, use of the KRJC for activities for the promotion of mutual understanding between both countries, has been achieved.

- Various events were held, including a Japanese film festival, *Satsuki-matsuri* (a May festival), *Momiji-matsuri* (an autumn festival), and a music festival. The number of events was 46 and the total number of participants was more than 11,000.
- Events were held regularly by cultural clubs, involving such activities as Japanese drumming, calligraphy, origami, and flower arrangement events. The number of participants was more than 80.

(2) Status of achievement of the project goals

It is highly likely that the project goals will be achieved by the end of the Project.

Many Kyrgyz citizens have applied for and participated in both a business course and a Japanese language course. The total number of course participants was about 3,000 as of July 2007 and is estimated to be more than 4,000 by the end of the Project. According to the results of questionnaire and interview surveys concerning the terminal evaluation, the participants are relatively highly satisfied with the courses, and the main business organizations in Bishkek have a high regard for the KRJC's business courses and related activities.

Moreover, the KRJC has succeeded in providing various programs for the promotion of mutual understanding between both countries. Because the KRJC is located near the busy center of Bishkek City, it is easily accessible for the general public. As indicated by the number of visitors (5,128) and the number of members (260), many Kyrgyz people interested in the Japanese culture and language have frequently visited the KRJC.

3-2 Summary of the evaluation results

(1) Relevance

The Kyrgyz Government specifies in its Country Development Strategy for 2007-2010 that it gives priority to the goal of "sustainable economic development through industrial diversification." This Project is substantially in accordance with the Government's development needs.

Based on the needs surveys conducted before and during the Project, it has been assumed that the main target groups for the business courses would be owners of small and midsize companies, top

and mid-level executives of companies, and new entrepreneurs. With regard to both the business courses and the Japanese language courses, the number of applicants was more than the fixed number of participants, and the participants are highly satisfied with the courses. Therefore, it can be said that the courses are in accordance with the needs of the beneficiaries.

Because Japan's ODA policy for Kyrgyz specifies that the development of human resources for the promotion of the transition to a market economy is one of the priority sectors for aid in the improvement of the infrastructure for sustainable economic growth, the overall goals of this Project are in accordance with Japan's ODA policy.

(2) Effectiveness

Given the achievements in the past four and a half years, this Project is highly likely to achieve the project goals. The KRJC has succeeded in developing and managing various business courses and Japanese language courses. Most of the graduates from the business and Japanese language courses are highly satisfied with the courses and are eager to put into practice the knowledge and skills acquired or improved through the courses. It is estimated that the total number of course participants will exceed 4,000 by the end of the Project (a little less than 3,000 participants in the business courses and a little more than 1,000 participants in the Japanese language courses). More than 11,000 Kyrgyz people have participated in various events for the promotion of mutual understanding between both countries. The KRJC's facilities are in a convenient location and are open to the general public. The good reputation of the KRJC has been gradually spreading among the general public in Bishkek City.

(3) Efficiency

This Project is evaluated as being relatively highly efficient. In the past four and a half years, seven long-term experts were dispatched from Japan. The number of opportunities for dispatching short-term experts in business management was 40, and 18 short-term experts were dispatched. Although the effectiveness and efficiency of the Project declined to some extent during a period when no expert in the business sector was dispatched, it can be evaluated from the status of achievement of the project goals and outputs, and the results of a questionnaire survey, that the quality, sector, and timing of the experts that were dispatched were appropriate. Although a C/P was dispatched from KNU as the Kyrgyz Co-Director of the KRJC, smooth, effective, and efficient management of the KRJC was difficult when no Kyrgyz C/P was appointed in 2006. The local staff members of the KRJC have been assigned appropriately, and all of them have a high level of capability and eagerness, and communicate sufficiently with the Japanese staff members. The project team regularly holds monthly and weekly meetings, and the Joint Coordinating Committee (JCC) has held three meetings in the past.

(4) Impact

Although it is highly likely that the Project will have a greater impact in future, it is evaluated at the time of the terminal evaluation that the Project has so far had a relatively limited impact.

Many graduates from the business courses have recognized that the KRJC courses have led to improvements in their practical business knowledge and skills, improvements in performance, the starting of new businesses, and career promotion. It can be considered that these impacts will promote Kyrgyz's smooth transition to a market economy from the long-term viewpoint. Although the KRJC has succeeded in providing training courses to the owners of many small and midsize companies and executives of major companies in Bishkek, the number of participants and graduates is still so limited that a greater impact cannot be expected. With regard to exchange

activities for the promotion of mutual understanding between both countries, although various events were held with the participation of many Kyrgyz people, there is no indicator to clearly measure the amount of progress made in mutual understanding at the time of the terminal evaluation. However, if the KRJC continues and further strengthens its various activities, it can be fully expected that the impact of the Project will become greater.

(5) Sustainability

Although the Project has a medium level of sustainability in terms of the technical aspects, the Project's sustainability is evaluated as weak from the organizational and financial aspects.

1) Institutional and organizational aspects

The NPO bylaws clearly define the KRJC's legal status, vision, and position, and justifies the provision by the KRJC of various training programs and services while collecting tuition fees as an NPO corporation. Although the Kyrgyz Government has recognized the importance of the Project, there are no concrete measures provided for supporting the KRJC. The KRJC has established the foundation for daily management but still receives a lot of support from Japanese experts. Moreover, to prevent frequent resignations by local staff members, it is desirable to create an efficient organizational mechanism to ensure the continuation and stability of the effective management of the KRJC. Improvement of the institutional and organizational sustainability of the Project requires a higher level of ownership and commitment by Kyrgyz. In addition, given the importance of the development of a cooperative relationship with related organizations throughout the country, the private sector, potential customers, and the KRJC graduates, it is necessary to further strengthen and organize the management of the KRJC with the positive participation of the Kyrgyz side.

2) Financial aspects

Although the Kyrgyz side has provided space in buildings and various facilities for the Project, all of the KRJC's operating expenses are paid by the Japanese side, except for water and electricity expenses. In this sense, while the Project has no problem that may cause a hindrance to the daily operations in relation to the financial aspects, it is financially weak from the long-term viewpoint. Although the KRJC began to collect tuition fees for the business and Japanese language courses in September 2005, the KRJC's own revenues account for only 6 to 16% of the total annual expenditures. Because the KRJC has still not established a basic policy for expenditure planning, its own revenues have been accumulated as internal cash assets. In this sense, to overcome the financial weakness, the KRJC should establish a detailed basic policy for the effective planning of revenues and expenditures.

3) Technical aspects

All the lecturers and local staff members are highly motivated. Most of the staff members have high potential to efficiently carry out the planning and management of the KRJC activities. Technical transfer to both the lecturers and the local staff members has been carried out appropriately. However, the number of local lecturers who have latent ability in both business and the Japanese language is not so high and the number of lecturers who have sufficient practical experience in business is low. With regard to the management of the KRJC, although there is a tendency for able local staff members to resign from the KRJC, the project team members have become able to perform their roles and duties accurately, fully understanding the importance of teamwork. Efforts should be continued to further strengthen the management capabilities of the KRJC staff and to improve their capacity for effective planning under their own initiative.

3-3 Factors for the emergence of the effects

(1) Contents of the planning

Because the three main activities have been carried out continuously since the Friends of the Global Fund started the KRJC in 1995, know-how and experience have been accumulated through the management of each activity, contributing to improvements in the effectiveness and efficiency of the Project. Another factor in its success is that the central local staff members (the chief manager and the managers) engaged in the Japanese language courses and the mutual understanding programs are excellent graduates from the Japanese language courses (four-year regular courses). That is, in addition to the accumulation of know-how since the Friends of the Global Fund started the KRJC, the KRJC itself has begun to function as a training institution or an incubator for human resources for effective organizational management and core human resources for the promotion of mutual understanding between both countries. Therefore, it can be considered that the KRJC is showing some sustainability.

(2) Implementation process

With regard to the business courses and the Japanese language courses, in cooperation with related organizations, such as universities in Kyrgyz, the KRJC was able to provide appropriate services to the “end users” of the KRJC services.

In addition, the management of the business courses has been outsourced to a consulting company under a comprehensive contract since FY2005. On its own responsibility, the consulting company has consistently designed and managed the courses in the business sector, which is rapidly changing, and covers a wide range of fields. This seems to have contributed greatly to the improvement of the effectiveness and efficiency of the Project through the flexible design and management of the courses based on baseline surveys and various needs surveys, the selection and dispatch of appropriate short-term experts from among a wide range of human resources, and the promotion of more effective and efficient management and monitoring of operations through the establishment of its own monitoring PDM that defines the PDM of the Project more closely in terms of numerical targets.

3-4 Problems and the factors causing them

(1) Contents of the planning

Compared with JICA’s ordinary technical cooperation projects, the level of involvement of the partner country and the implementing organization is lower in this Project. For example, the number of C/Ps appointed by the recipient country (Kyrgyz) is low (only one C/P), and there was a period when no C/P existed due to political changes in Kyrgyz. Therefore, it cannot be denied that the lack of ownership and commitment by the Kyrgyz side has hindered improvement in the effectiveness and efficiency of the Project to some extent. There was also a lack of smooth communication due to the replacement of the Rector of the KNU and the Kyrgyz Co-Director of the KRJC (Vice-Rector of the KNU) and the KNU’s lack of understanding about the difference between the position in the R/D before April 2003 and the framework of aid under the current cooperation from JICA. In this sense, it can be also considered that one of the reasons for the failure to raise the level of ownership and commitment from the Kyrgyz side is that cooperation with related departments and centers in the fields of business administration and Japanese language education that suit KNU’s needs were not incorporated into the Project at the stage of project design.

(2) Implementation process

It can be said that the tendency for local staff members who have improved their capabilities to then resign from the KRJC is one of the factors impeding the effectiveness and efficiency of the Project. Basically, it is inevitable for young local staff members who are talented and have improved their capabilities through experience in Japan's ODA projects to resign from the KRJC and seek opportunities to further improve their capabilities, advance their careers, or increase their salary. Thus, it is important to raise the incentives and level of commitment among local staff members who work for the KRJC, taking measures such as designing a new personnel management system, including improvement of the working conditions and the reemployment of human resources experienced in working for the KRJC on more favorable terms, granting further discretion to the local staff members, and establishing and clarifying medium-term personnel assignments and training plans.

3-5 Conclusions

As described above, the Project has been highly relevant in terms of both countries' policies and the needs of the target groups, given the achievements in each activity so far, and is highly likely to achieve its goals by the end of the Project. Although the current impact is limited, a greater impact is expected to emerge through continuation of the activities.

On the other hand, to make the management of the activities more efficient and increase sustainability in the future, it is necessary to increase the ownership by the Kyrgyz side and strengthen cooperation with the related organizations. In this sense, it is desirable for the parties concerned to consider Phase 2 as an extension of the Project.

3-6 Recommendations (concrete measures, proposals, and advice concerning the Project)

It is recommended that the project implementing organization and the experts should carry out the following by the end of the Project:

1) General

- (i) To carry out the Project more smoothly and effectively, strengthen the relationship between the KRJC and the KNU, taking into consideration the importance of mutual benefits.
- (ii) When carrying out the Project, manage the KRJC program flexibly so that it can keep up with changing needs in Kyrgyz.
- (iii) To increase the synergistic effects, strengthen coordination among the business courses, the Japanese language courses, and the exchange activities for mutual understanding between both countries.

2) Management of the KRJC

To strengthen the management of the KRJC:

- (i) The KRJC should establish medium-term personnel assignment and staff training programs.
- (ii) The KRJC should establish a medium-term financial management plan, including a clear policy for effective expenditures of its own revenues.
- (iii) The KRJC should make greater efforts to secure its own revenues to ensure that the management is sustainable.
- (iv) The KNU and the KRJC should continue their efforts to secure sufficient space to carry out

the KRJC activities effectively and smoothly.

3) Business courses

To expand effectiveness and impact:

- (i) The KRJC should make more efforts to improve the capabilities of local business consultants through the business courses – especially A-Course (practical business management course) and C2-Course (business improvement course).
- (ii) The KRJC should cooperate in increasing the effects of synergy with other JICA projects, such as the rural development program.
- (iii) The KRJC should carry out activities for the promotion of regional cooperation with the Central Asian countries – especially with regard to Kazakhstan, a potential market for Kyrgyz.
- (iv) The KRJC should provide opportunities for exchanging opinions and experience among business course graduates as a form of follow-up.

4) Japanese language courses

To expand effectiveness and impact:

- (i) The KRJC should provide training courses so that Japanese language teachers in Kyrgyz can further improve their teaching methods.
- (ii) The KRJC should support the KNU in its development and improvement of Japanese language education.
- (iii) The KRJC should support the development and improvement of Japanese language education in local areas in Kyrgyz to the extent possible.

5) Exchange activities for the promotion of mutual understanding between both countries

- (i) To strengthen the appropriate monitoring process of the activities, the KRJC should set quantitative indicators for measuring the degree of mutual understanding between both countries and regularly measure it.
- (ii) To promote these activities further, the KRJC should more effectively provide the necessary information to persons who seek opportunities to study in Japan.

3-7 Lessons learned (matters that serve as reference materials for the discovery, creation, implementation, and management of similar projects derived from this Project)

Based on “3-3 Factors for the emergence of the effects” and “3-4 Problems and the factors causing them,” the following points can serve as lessons when considering Japan Center for Human Development projects in other countries and Phase 2 of this Project:

- 1) In addition to accumulating know-how, the Japan Center itself should establish a system for developing human resources for effective organizational management and core human resources for the promotion of mutual understanding between both countries. This will improve effectiveness, efficiency, and sustainability. For this purpose, it seems effective to maintain and strengthen the network of human resources through the establishment of a database on the graduates and provide follow-up activities.
- 2) The use of effective cooperation with local universities and other related organizations will make it possible to expand the effectiveness and impact of the Project. This is expected to

further increase its impact by putting a great deal of effort into cultivating trainers, such as business consultants and Japanese language teachers.

- 3) As described above, a comprehensive contract for outsourcing the business courses to a consulting company has contributed to the effectiveness and efficiency of the courses.
- 4) To secure the commitment of the partner country, including the C/P organization, it is important to give consideration to the project contents and processes at the planning stage, such as setting activities and outputs from the viewpoint of seeking mutual benefits together with the implementing organization.