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# NITI Aayog and JICA Sign Phase II SDG Partnership

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# NITI Aayog and JICA Sign Phase II SDG Partnership

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## ✍ WHY IN NEWS

**NITI Aayog** and **JICA** (Japan International Cooperation Agency) signed a **Phase II Memorandum of Understanding (MoU)** on March 3, 2026, deepening bilateral cooperation on **Sustainable Development Goals (SDGs)** across six thematic areas. Japan has been India’s largest bilateral development assistance partner since 1958.

## NITI AAYOG–JICA PHASE II SDG PARTNERSHIP

### About the Partnership

The NITI Aayog-JICA collaboration is part of India’s broader engagement with Japan under the framework of the **Japan-India Special Strategic and Global Partnership** (elevated to this status in 2014). The Phase I MoU had focused on knowledge exchange on SDG monitoring, localisation of SDGs at the state level, and sector-specific development models.

**Phase II** expands the scope to **six thematic areas**:

**Urban Development and Smart Cities** — Financing models, urban mobility, solid waste management

**Disaster Risk Reduction** — Early warning systems, resilient infrastructure (Japan’s expertise in earthquake/tsunami DRR)

**Agriculture and Food Security** — Precision farming, crop diversification, post-harvest management

**Healthcare and WASH** — Primary healthcare strengthening, water supply, sanitation under SBM

**Climate Change and Environment** — Low-carbon transition, clean energy, forest conservation

**Digital Transformation** — Government digitalisation, e-governance, digital public infrastructure

## Japan as India’s Largest Bilateral ODA Partner

Japan has been providing **Official Development Assistance (ODA)** to India continuously since **1958** — the longest unbroken bilateral ODA relationship in India’s history.

Metric	Data
Duration of Japan ODA to India	Since <b>1958</b> (longest bilateral)
Cumulative ODA to India	<b>₹4.4 lakh crore</b> (~\$53 billion)
Currency swap (India-Japan)	<b>\$75 billion</b> BSA (first signed Oct 2018; renewed Feb 2022, Feb 2025, Feb 2026)
Japan’s ODA modality	Primarily <b>Yen loans (low-interest)</b> via JICA
JICA projects in India	70+ ongoing at any time

## Key Japan-Funded Projects in India

Project	Status
<b>Delhi Metro</b> (Phase I–IV)	Funded by JICA Yen loans; ongoing
<b>Western Dedicated Freight Corridor</b> (WDFC)	JICA funding; Rewari-Vadodara corridor
<b>Mumbai-Ahmedabad High Speed Rail</b> (Shinkansen/Bullet Train)	JICA funding; ₹1.08 lakh crore
<b>Bengaluru Metro</b> (Phase 2)	JICA loan
<b>Chennai Metro</b>	JICA loan
<b>Yamuna Action Plan</b>	Water quality, JICA-funded

## About JICA

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**JICA** (Japan International Cooperation Agency) is Japan's primary ODA implementing agency, operating under the **Ministry of Foreign Affairs of Japan**. It was restructured in **2008** to merge three agencies: the old JICA, JBIC (Japan Bank for International Cooperation)'s ODA loan functions, and JICA's technical cooperation arm.

JICA provides three types of assistance:

**Grant Aid** – free financial transfers for least developed countries

**Yen Loans (ODA Loans)** – low-interest, long-tenor loans (India receives primarily these)

**Technical Cooperation** – experts, training, equipment transfer

## SDGs and India

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India has integrated SDGs into its **National Development Agenda** through NITI Aayog's **SDG India Index**, which annually ranks all states and UTs on SDG progress. India's overall SDG score improved from **58/100 in 2018** (baseline) to **71/100 in 2023-24**.

India is on track for some SDGs (SDG 7 clean energy, SDG 9 infrastructure) but faces challenges on others (SDG 2 zero hunger, SDG 6 clean water universally).

## About NITI Aayog

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**NITI Aayog** (National Institution for Transforming India) replaced the **Planning Commission** on **January 1, 2015**, by executive order of the Union Cabinet. Unlike the Planning Commission, NITI Aayog has:

**No fund-allocation powers** (it cannot transfer grants to states)

A **Governing Council** chaired by the Prime Minister with all Chief Ministers as members

A **Vice Chairman** and **CEO** for day-to-day operations

The shift from Planning Commission to NITI Aayog reflected the move from a centralised planning model to a **cooperative federalism and advisory model**.

**UPSC Angle – GS-2 (IR & Polity):** JICA is distinct from JBIC (Japan Bank for International Cooperation) – JBIC handles commercial/export credit; JICA handles ODA. NITI Aayog has no constitutional or statutory basis – it exists only by executive resolution. India's SDG India Index is published by NITI Aayog. The India-Japan \$75 billion currency swap is a Bilateral Swap Arrangement (BSA) – useful during currency stress.

**UPSC RELEVANCE**

JICA (Japan International Cooperation Agency, under Japan MoFA), Japan ODA since 1958, cumulative ₹4.4 lakh crore, \$75B swap, NITI Aayog (executive order Jan 2015, no fund powers), SDG India Index.

**MAINS GS-2:**

India-Japan bilateral relations; NITI Aayog vs Planning Commission; SDG localisation in India.

**MAINS GS-3:**

Role of ODA in India's infrastructure development.

## ★ FACTS CORNER — KNOWLEDGEPEDIA

### NITI AAYOG–JICA PHASE II:

Signed: **March 3, 2026**

Focus: **SDG cooperation** across 6 thematic areas

6 themes: Urban development, Disaster risk, Agriculture, Healthcare/WASH, Climate, Digital

### JAPAN-INDIA DEVELOPMENT RELATIONSHIP:

Japan ODA to India: since **1958** (longest bilateral ODA relationship)

Cumulative Japan ODA to India: **₹4.4 lakh crore** (~\$53 billion)

BSA (Bilateral Swap Arrangement): **\$75 billion** (first signed Oct 2018; most recently renewed Feb 2026)

ODA type: Primarily **Yen Loans** (low-interest, 40-year tenor, 0.1-1.4% interest)

### JICA – KEY FACTS:

Full form: **Japan International Cooperation Agency**

Under: **Ministry of Foreign Affairs, Japan**

Restructured: **2008** (merged old JICA + JBIC's ODA arm)

Types of aid: Grant Aid, **Yen Loans (ODA loans)**, Technical Cooperation

India is JICA's **largest loan programme country** globally

### KEY JICA-FUNDED PROJECTS IN INDIA:

Delhi Metro (Phase I–IV)

Western Dedicated Freight Corridor (WDFC) — Rewari-Vadodara

Mumbai-Ahmedabad HSR (Bullet Train) — ₹1.08 lakh crore

Bengaluru Metro Phase 2, Chennai Metro

Yamuna Action Plan (water quality)

### NITI AAYOG:

Replaced: **Planning Commission** (est. 1950; abolished Jan 1, 2015)

Basis: **Executive order** (Cabinet Resolution) — no statute, no constitutional provision

Key difference from Planning Commission: **No fund-allocation powers**

Governing Council: Chaired by PM; all CMs and LG of UTs as members

SDG India Index: Published by NITI Aayog; India score 2023-24: **71/100**

### SDG FACTS:

SDGs adopted: **September 2015** (UN General Assembly) — 17 Goals, 169 targets, 232 indicators

Timeline: **2015–2030**

India's voluntary commitment: Implemented via National Development Plans + State Action Plans

NITI Aayog's SDG India Index: Annual state/UT ranking; states scored 0-100

### OTHER RELEVANT FACTS:

India-Japan relations upgraded to **Special Strategic and Global Partnership: 2014**

Japan is India's **5th largest FDI source** (after Mauritius, Singapore, USA, Netherlands)

JBIC (Japan Bank for International Cooperation): handles commercial financing; distinct from JICA

India-Japan 2+2 ministerial dialogue: Defence + Foreign Ministers (began 2019)

India is Japan's **largest ODA recipient country** globally (by volume)

Sources: [Drishti IAS](#), [JICA India](#), [PIB](#)

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