
Overall Program Summary

In fiscal 2007 SPF implemented 79 regular and special-funds projects (6 fewer than in the previous year) valued at approximately ¥1.11 billion. Excluding expenditures for internal operations¹, ¥6.87 billion was spent on projects in fiscal 2007, ¥39.20 million more than the ¥6.48 billion spent in fiscal 2006.

One major change in fiscal 2007 was a reexamination of the SPF management structure and projects on the occasion of its twentieth anniversary. Keeping in mind the need to demonstrate the contribution of SPF to the public good under the new law for public service corporations, SPF reviewed its operations and the nature of its projects with a view to creating a new role in the twenty-first century, a task performed jointly by a committee of outside experts and SPF executives. As a result, accounting divisions between regular projects and special-funds projects were made stricter, and revisions to rules and regulations were carried out following a reexamination of the checks and balances between the General Affairs and Program Departments. Furthermore, a risk management system for business and project duties was instituted, in addition to various other improvements.

As part of a reexamination of a mid- and long-term strategy, the Operational Guidelines for the Fourth Midterm Program, adopted in August of 2007, were abandoned. A new program policy was formulated by the Program Policy Drafting Committee comprising members of the committee of outside experts and SPF executives and announced in July of 2008. Furthermore, with the aim of injecting greater expertise into projects, a new selection system was adopted that includes outside specialists in the selection process.

Excluding internal operation projects, a total of 15 projects were implemented within the category of regular projects (endowment of ¥50 billion yen; project expenditures² of ¥198.30 million, a ¥49.40 million increase over the previous fiscal year). Because the Operational Guidelines for the Fourth Midterm Program were abandoned midterm, the Operational Guidelines for the Third Midterm Program were applied partway through in fiscal 2007. Eight projects were implemented under the domain of "Toward the Coexistence of Pluralistic Values," and seven were implemented under "Fostering Human Security and Private Nonprofit Activities."

The Sasakawa Pacific Island Nations Fund (total

endowment of ¥3 billion; project expenditures² of ¥26.8 million, a ¥2.5 million increase over the previous fiscal year) implemented five projects, excluding internal operation projects. Three of the projects are distance education projects related to medicine, the environment, and information technology. The remaining two, an exchange project between students from Okinawa and Micronesia and a project relating to the training of journalists from Asian Pacific Island countries, are regional exchange projects between Pacific Island countries and outlying Japanese islands.

The Sasakawa Japan-China Friendship Fund (total endowment of ¥10 billion; project expenditures² of ¥73.70 million, a ¥12.40 million increase over the previous fiscal year) implemented eight projects, excluding internal operation projects. The newly initiated project, Chinese-Japanese Relations: 30 Years (1978–2008), is an attempt by Chinese scholars to summarize and edit into book form the 30 years of bilateral exchange since the signing of the Japan-China Peace and Friendship Treaty. In fiscal 2007, a team comprising experts and researchers in Chinese-Japanese relations completed the first draft. The finished version is scheduled to be published in both countries during fiscal 2008.

The Sasakawa Central Europe Fund (total endowment of ¥4 billion; project expenditures² of ¥30.90 million, a ¥5.40 million increase over the previous fiscal year) implemented three projects, excluding internal operation projects. In fiscal 2007, priority was given to a surveying and research project aimed at summarizing and evaluating past activities carried out under existing guidelines, so that consideration may be given to the direction of future activities.

The Sasakawa Pan Asia Fund (total endowment of ¥12.50 billion; project expenditures² of ¥357.30 million, a decrease of ¥30.40 million compared with the previous fiscal year) implemented a total of 37 projects, excluding internal operation projects. Projects in various fields were implemented throughout the Pan-Asian region, including personnel exchange and mutual understanding, cultivation of persons capable of responding to a new international order, and reexamination of paradigms relating to economic development and security. The regional focus of these projects included Southeast Asia, Northeast Asia, South Asia, Central Asia, and the South Caucasus.

Notes:

1. "Internal operations" refers to project operation expenditures, program development and research expenditures, and communications expenses.

2. Expenditures excluding those for the internal operations defined in 1.



Transition in Project Implementation Over Recent Years

(Units: ¥1,000)

	Regular Projects	Sasakawa Pacific Island Nations Fund	Sasakawa Japan- China Friendship Fund	Sasakawa Central Europe Fund	Sasakawa Pan Asia Fund	Total
FY2005	19 projects 403,816	4 projects 50,348	11 projects 138,347	6 projects 49,606	42 projects 385,124	82 projects 1,027,241
FY2006	15 projects 394,264	6 projects 55,333	9 projects 117,228	8 projects 50,867	47 projects 433,366	85 projects 1,051,059
FY2007	18 projects 393,412	7 projects 58,762	10 projects 129,771	5 projects 65,244	39 projects 485,341	79 projects 1,132,530

Notes:

(1) Each of the projects in multiple-project programs is counted.

(2) As these figures have been rounded down to the closest ¥1,000, their totals may not coincide exactly with those project overview and the financial statement.

FY 2007 Project Summary

(Units: ¥1,000)

	Regular Projects	Sasakawa Pacific Island Nations Fund	Sasakawa Japan- China Friendship Fund	Sasakawa Central Europe Fund	Sasakawa Pan Asia Fund	Total
Grant-Funded Projects	14 projects 165,849	4 projects 22,800	5 projects 31,885	1 project 9,364	25 projects 253,240	49 projects 483,138
Self Operated Projects	4 projects 227,563	3 projects 35,962	5 projects 97,885	4 projects 55,880	14 projects 232,101	30 projects 649,391
<i>Project Operation Expenditures</i>	(158,901)	(29,959)	(53,387)	(33,923)	(106,244)	(382,413)
<i>Program Development</i>	(11,273)	(1,990)	(2,705)	(432)	(21,778)	(38,177)
<i>and Research Expenditure</i>						
<i>Communications</i>	(24,916)	(0)	(0)	(0)	(0)	(24,916)
Ongoing Projects	7 projects 93,621	5 projects 26,814	5 projects 52,925	1 project 9,364	34 projects 327,182	52 projects 509,906
Newly Started Projects	8 projects 104,702	0 project 0	3 projects 20,754	2 projects 21,525	3 projects 30,137	16 projects 177,118
Internal Operations	3 projects 195,089	2 projects 31,949	2 projects 56,092	2 projects 34,355	2 projects 128,022	11 projects 445,506

Notes:

(1) Each of the projects in multiple-project programs is counted.

(2) As these figures have been rounded down to the closest ¥1,000, their totals may not coincide exactly with those project overview and the financial statement.

(3) Internal Operations include SPF's Project Operation Expenditure, Program Development and Research Expenditure, and Communications Expenses.

Overview of Fiscal 2007 Projects

Regular Projects Expenditure	¥393,411,635
Special Funds Expenditure	¥739,117,911
Total Expenditure	¥1,132,529,546

Please see pages 22 through 53 for details on individual projects.

Regular Projects

I. Toward the Coexistence of Pluralistic Values	138,443,665
1. Initiatives in Comprehensive Understanding of Civilizational Issues	90,436,336
Toward an International Indicator and Policy Information System on Cultures and Globalization	18,173,220
Development and Evaluation of a New Framework to Promote Agricultural Intellectual Property Management	11,485,732
Comparative Study of Mechanisms and Incentives for University-Business Interactions in Four Developed Countries	23,660,200
Initiative Towards Shared Integration: Its Implications for Northeast India	17,294,900
Curriculum Reform for the Pondok in Southeast Asia	13,382,165
The Role and Impact of Universities in a National Innovation System	6,440,119
2. Dialogue and Exchange on Common Regional Issues	0
3. Information Sharing and Dissemination to the Global Community	48,007,329
"Get Across the Voices of Asia" Program/Phase III	32,473,679
Forum 2000: Shared Concern Initiative	15,533,650
II. Fostering Human Security and Private Nonprofit Activities	59,878,975
1. Cooperation among Private Nonprofit Organizations, Business, and the Public Sector	17,723,178
Platform Construction for the Development of Global Public Goods	12,190,084
Establishing a Cooperation Platform for Peace Building	5,533,094
2. Capacity Building and Institutionalization of Private Nonprofit Activities	30,521,897
Study on Establishing an Evaluation Certification System	7,156,612
Pilot Study on Setting Up an Innovative Scheme for Supporting Local NGOs	6,351,050
Strengthening the Financial Sustainability of the Nonprofit Sector through Debt Swap for Education in the Countries of MERCOSUR	8,281,822
Civil Society Watch: Toward the Establishment of an Enabled Environment to Promote Civil Society	8,732,413
3. Surveys and Research on Private Nonprofit Activities	11,633,900
Promoting Implementation of UN Handbook on NPI Satellite Account in Asia	11,633,900

III. Japan and Asia in the World	0
1. Japan's Structural Change and East Asia	0
2. East Asian Renewal and Transfer of Experience	0
3. Construction of a World Economic System and the Role of Japan and East Asia	0

Note : Due to the enlarged scale of projects and regional parameters of the Sasakawa Pan Asia Fund, all projects in this category are administered by the Fund.

IV. Program Operation and Formulation	195,088,995
Communications	24,915,613
Program Development and Research Expenditure	11,272,771
Project Operation Expenditure	158,900,611

Special Funds

The Sasakawa Pacific Island Nations Fund	58,762,114
1. Exchange Projects That Respect the Values and Cultural Identity of Each Island Society	10,313,683
Sasakawa Pacific Islands Journalism Fellowship	4,013,683
Okinawa-Pacific Education Network Initiative	6,300,000
2. Micronesia-Focused Projects Aimed at Promoting Regional Harmony	5,471,120
ICT Policy Reform and Sustainability in the Micronesian Region	5,471,120
3. Projects That Support Education and Training through the Medium of Distance Education	11,028,740
Online/Post-Graduate Courses Development for Law School	5,428,740
Enhancing Distance Education for the Pacific Island Community	5,600,000
4. Projects to Promote Networking among NGOs and NPOs Operating in the Region and to Form Linkages among Pacific Island Nations and Asian Countries	0
5. Strengthening of the Fund Base	31,948,571
Program Development and Research Expenditure	1,989,777
Project Operation Expenditure	29,958,794

The Sasakawa Japan-China Friendship Fund		129,770,641
1. Fostering Human Resources for 21st-Century Japan-China Relations		12,202,369
Cultivating Specialists in International Security Issues/Phase II		6,734,955
-Training Program for People's Liberation Army Staff in Charge of Japan-China Security Exchange		(6,158,955)
Sasakawa Scholarship System for Chinese Students Studying Japanese/Phase III		5,467,414
2. Deepening Mutual Understanding in the 21st Century		49,704,109
Program for Promoting Japan-China Exchange in the Field of Security/Phase II		33,760,020
Japan Visiting Program for City Mayors		6,962,819
Sino-Japanese Relations: 30 years (1978-2008)		8,981,270
3. Activities to Promote Japan-China Relations in the 21st Century		7,457,427
Japan-China Young Historians Conference/Phase II		7,457,427
4. Activities to Advance the Fund's International Role		4,314,952
Capacity-Building for NPO Evaluation in China		4,314,952
5. Strengthening the Fund Base		56,091,784
Program Development and Research Expenditure		2,704,736
Project Operation Expenditure		53,387,048

The Sasakawa Central Europe Fund		65,244,035
1. Enhancing Mutual Exchange between Japan and Central European Countries		10,326,949
Fostering Dialogue to Enhance Mutual Understanding between Central European Countries and Japan		10,326,949
2. The Role of Central European Countries in the Twenty-First Century		9,364,123
Research on Effective Ways to Promote Philanthropy in East Central Europe: From the View of Effects of Percentage Philanthropy		9,364,123
3. The Role of NGOs in Creating Civil Society		11,198,378
Comprehensive Research on the Strategic Participation of Non-Governmental Organizations in V4 Countries within the National Governance		11,198,378
4. Strengthening the Fund Base		34,354,585
Program Development and Research Expenditure		431,904
Project Operation Expenditure		33,922,681

The Sasakawa Pan Asia Fund	485,341,121
1. People Exchange	39,212,117
People Exchange Program: Strengthening Partnerships in the Pan-Asia Region	7,653,896
Promoting India-Japan Ties through the Exchange of Leaders	9,062,497
-Enhancing India-Japan Relations: Visit to Japan by Indian Parliamentarians	(6,462,497)
Exchange Program between Vietnam and Japan at the Local Level	22,495,724
-Promoting Exchange between Non-Governmental Organizations at Local Level of Japan and Vietnam	(8,360,468)
-Exchange and Experience Sharing between Local Government Officials of Japan and Vietnam	(10,917,560)
2. Human Resource Development	183,776,188
SPF India Study Group	10,114,709
Supporting Journalism in Asia/Phase II	29,161,953
Confidence Building in Security among Southeast Asian Countries and Japan	3,890,474
-Capacity Building on Security in Myanmar	(0)
Developing Business Teaching Materials in Vietnam	14,207,888
-Developing Business Cases for an MBA Course in Vietnam	(8,604,515)
Human Resource Development for ASEAN in Myanmar	4,768,476
-Capacity Enhancement of Young Diplomats in Myanmar	(2,958,726)
Intellectual Assistance to Central Eurasia: Sharing the Experience of East Asia	21,788,975
-Central Eurasia Leadership Academy	(19,021,100)
Capacity Building for NPOs and Concerned Governmental Officials in Lao PDR	6,041,255
Human Resource Development Program for Economic Research in Myanmar	12,379,216
Capacity Building for Enhancing Legal Environment of Nonprofit Sector in Vietnam	4,676,118
Strengthening Charkha's Feature Service in India	3,875,984
Strengthening Economic Research and Monitoring in Lao PDR	10,069,085
Confidence and Capacity Building among Young South Caucasian Leaders	21,238,070
Enhancing the Agricultural Economics Research Capacity in Laos	7,410,822
Strengthening the Macroeconomic Forecasting Capability in Azerbaijan	8,438,203
Enhancement of Teaching, Research, Information and Publishing Capacity for the Academy of Finance	13,206,494
Asian Renaissance: Capacity Building for Future Leaders in Southeast Asia	12,508,466
3. Research with Tangible Applications	134,330,701
Capacity Building for Development in Central Asia and Caucasus/Phase II	29,904,021
Research on Comprehensive Security in Northeast Asia	25,971,332
-Research into a China-Japan-Korea Triologue in Northeast Asia Security	(24,402,300)
Toward a Strengthened Regional Cooperation in Asia/Phase II	15,614,459
-Toward an Asian Economic Community: An Agenda for Action	(9,827,950)
Possibilities for a Comprehensive Economic Partnership between BIMST-EC Countries and Japan	7,306,572
People Participation in Policy Formulation in Vietnam: A Case of Urban and Regional Planning	12,761,319
Alternative ASEAN Charter Initiative	17,329,893
Study on Cross Border Economic Relations and Social Transformation in the Greater Mekong Sub-Region (GMS)	8,148,000
The Sentosa Roundtable on Asian Security	12,635,800
Assistance in Establishing an Intellectual Foundation for Contemporary Japanese Studies in India	4,659,305
4. Strengthening the Fund Base	128,022,115
Program Development and Research Expenditure	21,778,220
Project Operation Expenditure	106,243,895

Statement of Financial Position

Statement of Income and Expenditures (From April 1, 2007 to March 31, 2008) (Units: ¥1,000)

	FY2003	FY2004	FY2005	FY2006	FY2007
Income					
Income from endowment	666,719	681,283	892,460	1,273,202	1,038,444
Income from special funds	513,237	574,210	661,480	805,224	874,194
Private contributions for special funds	2,000,000	0	0	0	0
Income from specific assets	36,925	39,009	209,785	289,878	114,496
Income from liquidation of specific assets	8,280	17,993	48,375	5,803	3,172
Total income	3,225,161	1,312,495	1,812,100	2,374,107	2,030,306
Expenditures					
Operating expenses	924,750	962,551	1,027,241	1,051,058	1,132,529
Administrative expenses	332,764	308,016	336,619	322,499	302,319
Foreign exchange valuation loss	0	0	0	0	62,551
Acquisition of property	3,000	4,083	18,272	31,908	525
Provision for special funds	2,000,000	0	0	0	0
Acquisition of specific assets	22,905	25,021	177,558	641,258	363,435
Total expenditures	3,283,419	1,299,671	1,559,690	2,046,723	1,861,359
Income/expenditure balance carried over from previous year	852,197	793,939	806,763	1,059,173	1,386,557
Income/expenditure balance carried forward to the next year	793,939	806,763	1,059,173	1,386,557	1,555,504

Statement of Changes in Fund Balances (Income Statement) (From April 1, 2007 to March 31, 2008) (Units: ¥1,000)

	FY2007
Unrestricted fund balance	
Recurring revenue and expenses	
Recurring revenue	2,291,236
Recurring expenses	2,273,212
Recurring income for fiscal 2007	18,024
Non-recurring revenue and expenses	
Non-recurring revenue	665,448
Non-recurring expenses	23,408
Non-recurring income for fiscal 2007	642,040
Change in unrestricted fund balance for fiscal 2007	660,064
Unrestricted fund balance at the beginning of fiscal 2007	53,348,265
Unrestricted fund balance at the end of fiscal 2007	54,008,329
Restricted fund balance	
Change in restricted fund balance for fiscal 2007	△ 1,772,969
Restricted fund balance at the beginning of fiscal 2007	29,500,000
Restricted fund balance at the end of fiscal 2007	27,727,031
Total fund balances at the end of fiscal 2007	81,735,360

Note: The SPF is using new accounting standards for nonprofit organizations from fiscal 2007. Changes in fund balance from fiscal 2006 are not given because of differences in accounting standards.



Balance Sheets (As of March 31, 2008)

(Units: ¥1,000)

	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008
Assets					
Current assets	895,264	908,997	1,175,824	1,517,483	1,981,959
Cash and deposits	469,596	390,045	493,064	596,594	573,201
Investments and bonds	417,091	504,474	656,722	853,590	1,071,038
Other liquid assets	8,577	14,478	26,038	67,299	337,720
Fixed assets	80,772,884	80,775,846	80,917,101	81,572,251	80,049,797
Endowment	50,000,000	50,000,000	50,000,000	50,000,000	49,978,805
Special funds	29,500,000	29,500,000	29,500,000	29,500,000	27,727,031
Other fixed assets	1,272,884	1,275,846	1,417,101	2,072,251	2,343,961
Total	81,668,148	81,684,843	82,092,925	83,089,734	82,031,756
Liabilities					
Current liabilities	101,325	102,234	116,651	130,926	139,775
Fixed liabilities	146,878	142,477	104,088	110,543	156,621
Net worth					
Fund balance	81,419,945	81,440,132	81,872,186	82,848,265	81,735,360
Restricted fund balance					27,727,031
Special funds	(29,500,000)	(29,500,000)	(29,500,000)	(29,500,000)	(27,727,031)
Unrestricted fund balance					54,008,329
Endowment	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(49,978,805)
Total	81,668,148	81,684,843	82,092,925	83,089,734	82,031,756

Note: The categories shown are in accordance with new accounting standards introduced in fiscal 2007.

Changes in Assets (As of March 31, 2008)

(Units: ¥1,000)

At the end of fiscal year	Endowment	Special Funds	Other Assets	Total
FY2003	50,000,000	29,500,000	2,168,148	81,668,148
FY2004	50,000,000	29,500,000	2,184,843	81,684,843
FY2005	50,000,000	29,500,000	2,592,925	82,092,925
FY2006	50,000,000	29,500,000	3,589,734	83,089,734
FY2007	49,978,805	27,727,031	4,325,920	82,031,756

Note: Assets are expressed in terms of market value in accordance with new accounting standards introduced in fiscal 2007.

Board Members (As of July 1, 2008)

Trustees

Vice Chairman:	Jiro Hanyu	
President:	Akinori Seki	
Executive Directors:	Yoshimitsu Matsuki	(General Affairs)
	Junko Chano	(Program)
Trustees:	Noboru Hatakeyama	Chairman and CEO, Japan Economic Foundation
	Kenzo Kiikuni	Professor Emeritus, University of Tsukuba
	Yotaro Kobayashi	Chief Corporate Advisor, Fuji Xerox Co., Ltd.
	Hideaki Matsumoto	President, Pension Fund Association for Local Government Officials
	Akio Mikuni	President, Mikuni & Co., Ltd.
	Koichi Minaguchi	Lifetime Trustee, Keizai Doyukai (Japan Association of Corporate Executives)
	Yuzaburo Mogi	Chairman and CEO, Kikkoman Corporation
	Masato Obata	Former President, Japan Railway Construction, Transport and Technology Agency
	Hiroshi Shigeta	Former Ambassador to the State of Israel
	Akira Shimazu	President, Japan Foundation for Regional Vitalization
	Toshio Takeuchi	Chairman, Japan Motorboat Racing Association
	Masakazu Yamazaki	Professor Emeritus, Osaka University
Auditors:	Yoshio Kohra	Certified Public Accountant
	Katsumi Nishimoto	President, Tokyo B.M.C. Co., Ltd.

Counselors

Counselors:	Masahiro Akiyama	Chairman, Ocean Policy Research Foundation
	Richard Dyck	President, TCS Japan Co., Ltd.
	Wakako Hironaka	Member of the House of Councillors
	Yukio Kageyama	Chairman, Foundation of Japan Motorboat Racing Association
	Eiko Kono	Director, DIC Corporation
	Kiyoshi Nakachi	President, Japan Motorboat Racing Association
	Kichisaburo Nomura	Executive Advisor, All Nippon Airways Co., Ltd.
	Gen Takahashi	President, Research Institute on Super-Aging Society
	Toshiki Tomita	Professor, Chuo University
	Mikio Wakatsuki	Chairman, AXA Japan Holding Co., Ltd.
	Tadashi Yamamoto	President, Japan Center for International Exchange
	Sakuji Yoshimura	President, Cyber University

SPF Staff Members (As of July 1, 2008)

General Affairs Department

Akinori Sugai Director
Miyoko Mochizuki Deputy Director

Administration and Personnel

Shizuka Saito Assistant Manager
Keita Mera Assistant Manager

Public Relations

Yuko Nomura Assistant Manager
Natsuko Tsuchida (concurrent post)

Secretary to Executives

Naomi Ikeda Assistant Manager (concurrent post)
Chika Fujimoto

Accounting and Finance Department

Keiichiro Yamada Director

Accounting

Hiroko Ikeda Assistant Manager
Kota Nagashima

Financial Administration

Keiichiro Yamada Assistant Manager (concurrent post)

Audit

Hiroko Ikeda Assistant Manager (concurrent post)

Program Department

Norio Ohto Director
Takahiro Nanri Deputy Director
Takahiro Nanri Program Officer (concurrent post)
Mieko Okamuro Program Officer
Masato Seko Program Officer (concurrent post)
Kaori Kobayashi Program Officer
Tetsuya Ishizuka Associate Program Officer
Shima Hayase Associate Program Officer
Fumiko Okamoto Associate Program Officer

Eiko Shigeta

Natsuko Tsuchida

Project Administration

Yoko Aoki Assistant Manager

Grant Administration

Mika Sekiguchi Assistant Manager

Office of Regional Funds

Chan Woo Lee Director
Akira Matsunaga Deputy Director

The Sasakawa Pacific Island Nations Fund

Chan Woo Lee Program Officer (concurrent post)
Mizuki Otani Associate Program Officer (concurrent post)
Yuriko Hasegawa Assistant Manager (concurrent post)

The Sasakawa Central Europe Fund

Chan Woo Lee Program Officer (concurrent post)
Mizuki Otani Research Associate (concurrent post)
Yuriko Hasegawa Assistant Manager (concurrent post)

The Sasakawa Pan Asia Fund

Akira Matsunaga Program Officer (concurrent post)
Masato Seko Program Officer
Nguen Thi Hanh Associate Program Officer
Yasutoshi Yoshida Associate Program Officer
Lolahon Saiidova Associate Program Officer
Mizuki Otani Associate Program Officer
Naomi Ikeda Assistant Manager

Yoshiko Kurokawa

Project Administration

Yuriko Hasegawa Assistant Manager

The Sasakawa Japan-China Friendship Fund

Yu Zhan Director
Hu Yiping Program Officer
Mieko Okamuro Program Officer (concurrent post)
Tatsumi Tamakoshi Associate Program Officer
Yoshiyuki Kobayashi Associate Program Officer
Naomi Harashima (concurrent post)

Project Administration

Naomi Harashima

Staff on Temporary Assignment

Masaaki Miyamoto (to the Sasakawa Africa Association)
Michio Ito (to the Sasakawa Africa Association)
Toshiro Mado (to the Sasakawa Africa Association)
Tomoko Ito (to Fondation Franco-Japonaise Sasakawa, Bureau de Tokyo)