The Japan Foundation
2005 Annual Report Year ended March 31, 2006
Cultivating mutual understanding by promoting interpersonal interaction through the universal medium of culture

Ogoura Kazuo, President
The Japan Foundation.
Overview of 2005 Programs

In 2005, YOKOHAMA2005: International Triennale of Contemporary Art was held for three months starting from the end of September, with the city’s Yamashita Pier serving as the main venue. A total of 71 works by 86 artists from 30 countries and regions were exhibited.

At the end of March 2006, the Japan Foundation organized a symposium entitled, “A Wild Haruki Chase,” in Tokyo, Kobe, and Sapporo, inviting those from around the world who have translated the works of Murakami Haruki. More than 20 translators discussed the charm of Murakami, whose works have been translated into more than 30 languages.

In addition, three main anniversary projects in which the Foundation actively participated also took place in 2005.

Japan-Korea Friendship Year 2005
Fortieth anniversary of the normalization of Korea-Japan relations

During a visit to Japan in 2003 by Korean President Roh Moo-Hyun, the national leadership of Japan and Korea agreed to designate 2005, the fortieth anniversary of the normalization of Korea-Japan relations, as Japan-Korea Friendship Year. The special designation was seen to provide an opportunity for deepening mutual understanding, particularly among young people who will be the leaders of the next generation, by promoting exchanges in every field—culture, economics, and society—and to build a firm foundation for the two countries to advance together in the 21st century. Under this initiative, the Japan Foundation organized various events.
2006 Australia-Japan Year of Exchange
Commemorating the thirtieth anniversary of the signing of the Basic Treaty of Friendship and Cooperation between Australia and Japan

The 2006 Australia-Japan Year of Exchange was originally planned at a 2003 Japan-Australia summit meeting to further strengthen friendship, mutual understanding, and cooperation between the two countries, particularly at the grass-roots level. Opening events held in six Australian cities from February to March 2006 included performances by Hayashi Eitetsu, Japan’s leading Japanese drummer, with TaikOz, an Australian group of Japanese drummers, shakuhachi (Japanese flute) player Riley Lee, and didgeridoo (Aboriginal folk instrument) performer Matthew Doyle.

The opening event of the Australia-Japan Dance Exchange 2006 (AJdX2006) was held in February 2006 in Yokohama. This initiative was coorganized by the Japan Foundation, the Japan Contemporary Dance Network, and the Australia Council for the Arts to support the production of international performing arts and the exchange of young choreographers and dancers.

Hayashi Eitetsu and the “TaikOz” tour.
Photo by Kanamori Mayu

“The Underneath”
Australia-Japan Dance Exchange 2006
BATIK X DANCE NORTH/SPLINTER GROUP.
Photo by Non Takagi
2005 EU-Japan Year of People-to-People Exchanges

At the eleventh EU-Japan summit meeting in 2002, Japan and the European Union agreed to declare 2005, the halfway point of a decade of EU-Japan cooperation, as EU-Japan Year of People-to-People Exchanges. The Japan Foundation organized a variety of projects in the arts along with cultural, intellectual, and citizen exchange programs including “YOKAI: Bestiary of the Japanese Fantastic” in Paris, “CHIKAKU: Time and Memory in Japan” in Austria and Spain while also supporting other private initiatives.

“YOKAI: Bestiary of the Japanese Fantastic” held at the Japan Cultural Institute in Paris traced the origin and transformation of images of supernatural beings, monsters, and spirits of Japan (yokai), mainly through Edo-period artworks such as ukiyo-e. Besakakukan (Scroll of Another World) by Nichosai. Middle of the Edo period. © Kansai University Library, Osaka

“Sakamoto Kazunari, Houses: Poetics in the Ordinary”
This exhibition introduces Kazunari Sakamoto’s major works on residences and collective housing estates over the last 30-plus years, from 1969 until now.

“CHIKAKU: Time and Memory in Japan”
La charme” by Kasahara Emiko. Photo by André Fraga

“Hinoki-ya, the traveling band” Hakodate-based Japanese music group on their European tour. Photo by Emoto Hideyuki

“JIKI: Japanese Porcelains 1610-1760” heed in Brussels and Paris. Introduced in this exhibition are porcelains produced between the 1610s, when the first Japanese porcelain was made, and the 1750s when its export was most active. Octagonal large jar with underglaze cobalt-blue and overglaze polychrome enamel design of phoenix and peony. © Kyushu Ceramic Museum

“Hidajimbo” performance in Eastern Europe. Japan’s leading percussionist unit “Hidajimbo” gave a performance tour in Eastern Europe.

Japanese-Language Proficiency Test. This year the tests were held at 116 sites simultaneously on December 4, 2005, including the newly-added countries of Switzerland, Denmark, Finland, Ukraine, Uzbekistan.

“Mother’s 2000-2005: Traces of the Future” by Ishiuchi Miyako, in the Japanese pavilion. With large-size photographs displayed in a marble-floored room, this approach was both effective and well-received.

Festival International Cervantino, “Natsu no Tobira” (The Summer Door) performed by Ishinoha at the most famous art festival in Latin America (Mexico). Photo by Fukumaga Koji

The 46th International Speech Contest in Japanese. The contest was held in Tottori prefecture on June 18, 2005, with participation of foreign people chosen from all over Japan.

“Mother’s 2000-2005: Traces of the Future” by Ishiuchi Miyako, in the Japanese pavilion. With large-size photographs displayed in a marble-floored room, this approach was both effective and well-received.
As Japan’s only organization that undertakes comprehensive international cultural exchange projects in every region of the globe, the Japan Foundation is working to build a future of harmonious coexistence for the people of Japan and the world.

Outline of the Organization
The Japan Foundation was established in 1972 as a special legal entity under the Ministry of Foreign Affairs to undertake Japan’s international cultural exchange and was subsequently reorganized as an independent administrative institution on October 1, 2003.

The foundation employs a total of 229 staff members (as of March 31, 2006) and consists of a head quarters in Tokyo, a branch office in Kyoto, two Japanese-language institutes (Urawa and Kansai), and 19 overseas offices in 18 countries.

Based on a financial foundation of government investment (¥111 billion), our operation is funded by revenues from government subsidies and investments, and donations from the private sector.

Purpose of the Foundation
The purpose of the Japan Foundation Independent Administrative Institution (Dokuritsu Gyôsei Hôjin Kokusai Kôryû Kikin: hereinafter called the “Foundation”), is to contribute to the improvement of a good international environment, and to the maintenance and development of the harmonious foreign relationships with Japan, by the efficient and comprehensive implementation of activities for international cultural exchange, which will deepen other nations’ understanding of Japan, promote better mutual understanding among nations, and contribute to cultural and other fields in the world. (The Law of the Japan Foundation Independent Administrative Institution, Article 3)
Deepening Mutual Understanding through Cultural Exchange
Three Program Areas of the Japan Foundation

Arts and Cultural Exchange
We communicate the diverse cultural contributions of modern Japan to the world, including both our traditional culture and contemporary culture that is now capturing global attention. We are also creating new exchange forums for artists, and people engaged in cultural activities at home and abroad. In addition, we are promoting international exchanges through production activities in various areas, including the visual arts, performing arts, and publications.

Japanese-Language Education Overseas
To further support and encourage Japanese-language education abroad, we operate comprehensive Japanese-language support programs, including the overseas dispatch of Japanese-language experts, the Japanese-Language Proficiency Test, and offering training opportunities to foreign teachers of Japanese, as well as developing and supplying teaching materials.

Japanese Studies and Intellectual Exchange
To foster better understanding of Japanese society, its culture, and customs and manners, we support the pursuit of Japanese studies abroad. We also are communicating the actual state of Japanese society through the promotion of international dialogues and research. We are also facilitating networks for tackling global issues as well as supporting dialogue between civilizations.

Japan Foundation Information Center (JFIC)
JFIC serves as our communications nexus in publicizing our message on the Internet and in print. This is also a site for information gathering and research on Japanese studies, international exchange, and cultural policies.

Breakdown of 2005 expenditures by program area (Unit: millions of yen)

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Amount (Unit: millions of yen)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperating in cultural exchange facilities programs</td>
<td>966</td>
<td>7.4%</td>
</tr>
<tr>
<td>Overseas programs</td>
<td>2,073</td>
<td>16.0%</td>
</tr>
<tr>
<td>Survey, research, and information-service programs</td>
<td>531</td>
<td>4.1%</td>
</tr>
<tr>
<td>Arts and cultural programs</td>
<td>3,386</td>
<td>26.1%</td>
</tr>
<tr>
<td>Japanese-language programs</td>
<td>3,563</td>
<td>27.4%</td>
</tr>
<tr>
<td>Japanese studies and intellectual exchange programs</td>
<td>2,472</td>
<td>19.0%</td>
</tr>
</tbody>
</table>

Total: 12,991 millions of yen

Cooperating in cultural exchange facilities programs: 966, 7.4%
Overseas programs: 2,073, 16.0%
Survey, research, and information-service programs: 531, 4.1%
Arts and cultural programs: 3,386, 26.1%
Japanese-language programs: 3,563, 27.4%
Japanese studies and intellectual exchange programs: 2,472, 19.0%
**China**

In our Japan-China exchange programs, the Japan Foundation implemented the programs involving the sending and inviting of academics and journalists with the cooperation of organizations such as the Japan-China Friendship Association and the Chinese Political Consultative Conference. Additional related lectures and discussions were held. We created “My Opinion” a website for directly posting opinions of academics from various fields in both Japan and China. The site became very popular and was used as a source of news by various Chinese media.

**South Korea**

The Japan Foundation created the office for planning Japan-Korea cultural exchanges and developed a Five-Year Plan for Japan-Korea Cultural Exchange starting in April 2006 in collaboration with external experts to strengthen Japan-Korea exchange projects over the mid- to long-term. The plan particularly focuses on enhancing people-to-people exchanges and network building between the two countries.

**The United States**

The Japan Foundation promotes intellectual exchanges and youth and citizen exchanges through the Center for Global Partnership. The Abe Fellowship Program is working to build a network and expand the ripple effects by holding meetings including workshops in which former fellows also participate.

In terms of Japanese studies, we conducted a survey for improving the Japan Foundation Fellowship program based on the recommendation of the American Advisory Committee. In the United States, 29 fellowships were awarded, the largest number for any single country.

**The Middle East**

A mission of six experts was dispatched to Turkey, Saudi Arabia, and Tunisia as the third Japan-Middle East Cultural Exchange and Dialogue Mission. A report and recommendations were compiled laying out cultural policy guidelines for the Middle East based on the results of the three missions and the report submitted to former Prime Minister Koizumi.

The Second Japan-Arab Intellectual Dialogue Agenda Setting Meeting was held in Tokyo in December 2005.
Japan Foundation Award and Japan Foundation Special Prizes 2005

Since 1973, we have annually presented the Japan Foundation Award to individuals and groups who have made an outstanding contribution over a period of time, while the Japan Foundation Special Prizes are presented to individuals and groups who have demonstrated rich creativity and a pioneering spirit with significant potential for future contributions. The Japan Foundation Special Prizes are presented in the three fields of arts and culture, Japanese-language education and Japanese studies (intellectual exchange), which represent the three pillars of the Japan Foundation’s operations.

In 2005, final decisions were made after deliberation by a separate meeting of experts in each field. The award ceremony was held at Hotel Okura Tokyo on October 4, 2005.

The Japan Foundation Award

Miyazaki Hayao
Animated Film Director
(Japan)

Miyazaki’s artistic endeavors, primarily in the medium of animated film, have succeeded in broadly conveying the universal appeal of Japanese culture and capturing the hearts of young people around the world with a distinctive storytelling style.

The Japan Foundation Special Prizes

Special Prize for Arts and Culture
Philippine Educational Theater Association (PETA) (The Philippines)

PETA has been conducting educational and community-building efforts through its theatrical presentations and has undertaken collaborative initiatives with artistic and civic groups in many Asian countries, including Japan. It is also expected to play a key role in the formation of an Asian art network.

Special Prize for Japanese-Language Education
China-Japanese Education Association (China)

The Association has served as the central, coordinating body for Japanese-language instructors at various Chinese universities and has been a major factor behind the enhanced quality of Japanese-language instruction in China. It is expected to continue to lead as Japanese-language education spreads throughout East Asia.

Special Prize for Japanese Studies
Dr. Tabassum Kashmiri (Pakistan)

Dr. Tabassum has significantly advanced the research of the Urdu language and Urdu literature in Japan and is expected to contribute to academic and cultural exchange between Japan and Urdu-speaking peoples, as well as to deepen mutual understanding between Japan and Pakistan.
Global Network

Nineteen overseas offices across the world shoulder an important role as the bases and frontline of the Japan Foundation’s international exchange activities. They seek to strengthen relationships with local cultural communities, maintain direct dialogue, and organize cultural events.

Expenditures by region

(Units: millions of yen)

- Arts and cultural programs
- Japanese-language programs
- Japanese studies and intellectual exchange programs
- Survey, research, and information-service programs
- Overseas programs
- Cooperating in cultural exchange facilities

North America

- Total: 1,542
- Arts and cultural programs: 156 (10.1%)
- Japanese-language programs: 246 (16.0%)
- Japanese studies and intellectual exchange programs: 202 (58.5%)
- Survey, research, and information-service programs: 81 (5.3%)
- Overseas programs: 19 (1.2%)
- Cooperating in cultural exchange facilities: 2 (0.1%)

Central and South America

- Total: 621
- Arts and cultural programs: 145 (23.3%)
- Japanese-language programs: 9 (1.5%)
- Japanese studies and intellectual exchange programs: 45 (7.2%)
- Survey, research, and information-service programs: 189 (30.5%)
- Overseas programs: 313 (50.4%)
- Cooperating in cultural exchange facilities: 9 (1.5%)

Western Europe

- Total: 1,624
- Arts and cultural programs: 156 (9.6%)
- Japanese-language programs: 815 (50.2%)
- Japanese studies and intellectual exchange programs: 313 (19.3%)
- Survey, research, and information-service programs: 202 (12.5%)
- Overseas programs: 81 (5.0%)
- Cooperating in cultural exchange facilities: 19 (1.2%)

Eastern Europe

- Total: 795
- Arts and cultural programs: 28 (3.5%)
- Japanese-language programs: 372 (47.4%)
- Japanese studies and intellectual exchange programs: 145 (18.3%)
- Survey, research, and information-service programs: 117 (14.7%)
- Overseas programs: 11 (1.4%)
- Cooperating in cultural exchange facilities: 269 (33.8%)

Middle East, North Africa

- Total: 510
- Arts and cultural programs: 27 (5.2%)
- Japanese-language programs: 105 (20.6%)
- Japanese studies and intellectual exchange programs: 164 (31.1%)
- Survey, research, and information-service programs: 117 (22.7%)
- Overseas programs: 215 (42.1%)
- Cooperating in cultural exchange facilities: 1 (0.2%)

Africa

- Total: 310
- Arts and cultural programs: 20 (6.4%)
- Japanese-language programs: 11 (3.7%)
- Japanese studies and intellectual exchange programs: 89 (28.8%)
- Survey, research, and information-service programs: 164 (52.6%)
- Overseas programs: 145 (46.5%)
- Cooperating in cultural exchange facilities: 278 (89.8%)
Expenditures by nation in 2005 (top 20)

<table>
<thead>
<tr>
<th>Country</th>
<th>Millions of yen</th>
<th>%*</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.A.</td>
<td>1,365</td>
<td>10.5</td>
</tr>
<tr>
<td>South Korea</td>
<td>803</td>
<td>6.2</td>
</tr>
<tr>
<td>France</td>
<td>596</td>
<td>4.6</td>
</tr>
<tr>
<td>China</td>
<td>521</td>
<td>4.0</td>
</tr>
<tr>
<td>Australia</td>
<td>373</td>
<td>2.9</td>
</tr>
<tr>
<td>Germany</td>
<td>306</td>
<td>2.4</td>
</tr>
<tr>
<td>Indonesia</td>
<td>305</td>
<td>2.3</td>
</tr>
<tr>
<td>Brazil</td>
<td>280</td>
<td>2.2</td>
</tr>
<tr>
<td>India</td>
<td>251</td>
<td>1.9</td>
</tr>
<tr>
<td>U.K.</td>
<td>237</td>
<td>1.8</td>
</tr>
<tr>
<td>Malaysia</td>
<td>224</td>
<td>1.7</td>
</tr>
<tr>
<td>Italy</td>
<td>223</td>
<td>1.7</td>
</tr>
<tr>
<td>Thailand</td>
<td>192</td>
<td>1.5</td>
</tr>
<tr>
<td>Russia</td>
<td>176</td>
<td>1.4</td>
</tr>
<tr>
<td>Canada</td>
<td>170</td>
<td>1.3</td>
</tr>
<tr>
<td>Philippines</td>
<td>131</td>
<td>1.0</td>
</tr>
<tr>
<td>Mexico</td>
<td>125</td>
<td>1.0</td>
</tr>
<tr>
<td>Vietnam</td>
<td>121</td>
<td>0.9</td>
</tr>
<tr>
<td>Hungary</td>
<td>105</td>
<td>0.8</td>
</tr>
<tr>
<td>Egypt</td>
<td>101</td>
<td>0.8</td>
</tr>
</tbody>
</table>

*Share of the total expenditures in 2005.
Global Network

The Japan Cultural Institute in Rome

The Japan Cultural Institute in Rome was opened in December 1962, as the first overseas Japan Cultural Institute. The Institute conducts a diversity of events and operates the largest library in Italy that specializes in Japanese studies.

In 2005, the Institute presented exhibitions of contemporary photography and photographs of Buddhist images; a Japanese food show; stage performances of contemporary dramas and pantomime; concerts of jazz, contemporary, traditional Japanese, and chamber music; film screenings including a Yoshida Kiju retrospective, Shimizu Hiroshi retrospective, and a comedy film series; and lectures by two authors, Kanehara Hitomi and Suzuki Koji. We also offered events to familiarize people with Japanese arts, including workshops on flower arrangement, brush painting, Yuzen dyeing, and the tea ceremony. In addition, with the cooperation of the Polish cultural institute, we organized architectural exhibitions in Rome and Milan commemorating the EU-Japan Year of People-to-People Exchanges.

An increasing number of Italians are becoming interested in Japan, including those in outlying regions. As such, the Institute is extending its work into the regions with the cooperation of local cultural organizations. For example, the Yoshida Kiju retrospective was presented in Turin, Bologna, and Florence along with lectures by the director himself and Okada Mariko, actress and wife of Yoshida.

The Japan Cultural Institute in Cologne

Established in September 1969, the Japan Cultural Institute in Cologne offers Japanese-language courses and maintains a library in addition to its activities for introducing Japanese culture in the German-speaking world.

In 2005 the Institute organized the exhibition “Japanese Picture Books,” the photo exhibition “Work 1991–1995” by Hashiguchi Joji, two sessions of “Dialogue Exhibitions” featuring works by Japanese and German artists under common subjects, and an exhibition of posters by Japanese and German students. We also presented the Monoopera Crane performed by instrumentalists and a singer from Japan and Germany, as well as a performance by Grinder Man.

The Institute actively participated in such events as Cologne Music Night and Long Night of the Museums. In the context of the city’s A Book for the City literature festival, an event was held combining a reading of Murakami Haruki’s novel that was featured in the festival and a performance by jazz pianist Kuriya Makoto.

Other events organized by the Institute included public readings by Suzuki Koji in Cologne and Munich, lectures by Yamazaki Tomoko in five cities including Cologne, and a lecture on Japanese Buddhist images by Nedachi Ken’ichi, professor of Kyoto University.

Retrospectives were held of films by such directors as Uchida Tomu, Koreeda Hirokazu, Suzuki Seijun, and Kurosawa Akira, while videos focusing on Japanese Brazilians were presented as a contemporary topic of international exchange. We also offered Japanese-language courses from beginning to advanced levels and provided reference services at the 20,000-volume library.

As a joint project with the Goethe Institute, meanwhile, the exhibition “Global Players: German and Japanese Contemporary Artists” was held in Aachen and the production Yotsuya Ghost Story, directed by Jossi Wieler, was staged in Munich.
The Japan Cultural Institute in Paris (Maison de la Culture du Japon à Paris)

The Japan Cultural Institute in Paris first opened in May 1997 as a joint public-private effort between Japan and France, and is known as MCJP in France. With six stories above ground and five below, the glass-walled building houses extensive facilities that include a library, two multi-purpose halls, and an exhibition hall. It is located on the bank of the Seine River in Paris’ 15th District, a short distance from the Eiffel Tower.

In 2005 the Institute presented an *ukiyo-e* exhibition, “Hiroshige: 100 Famous Views of Edo,” along with “YOKAI: Bestiary of the Japanese Fantastic.” The latter event brought in about 18,000 visitors and demonstrated how *yokai* (fantastic creatures) and monsters depicted in Edo-era *ukiyo-e* and picture scrolls led to manga and anime in modern Japan. A symposium on *yokai* was organized as well.

In the large hall, we presented a performance by Grinder Man, a *kyogen* performance, a *noh* performance, and *yose*—a traditional variety show. We introduced the contemporary dance of BATIK, BABY-Q, and Okamoto Mariko for the Institute’s annual J-Dance Series, and we also held a special concert at the opening of Jazz Week, which is jointly organized every year by several foreign cultural institutes in Paris, as well as classical concerts by young Japanese musicians living in France.

Other events sponsored by the Institute included lectures by Oe Kenzaburo and Suzuki Koji and a forum with Shiriagari Kotobuki, a *manga* artist who was invited to the International Cartoon Festival in Angouleme. Film screenings included an Itami Mansaku and Ito Daisuke retrospective as part of the Master Screenwriter Series, a series titled “Zatoichi Stories: From Katsu Shintaro to Kitano Takeshi,” and a series on *yokai*.

These programs were made possible by support from private enterprises through the Association for the MCJP.

In addition, we offer classes for such activities as the game of go and the tea ceremony. To promote Japanese-language education, we extended assistance to the Japanese-Language Education Committee in France, which was established for the further advancement of Japanese-language education in the country.

The Japan Foundation, Seoul

Projects that the Japan Foundation, Seoul, organized in 2005 in the fields of arts and culture included the *ukiyo-e* exhibition, which was first held in 2004, showing 55 portraits of beautiful women and landscapes created during the golden age of *ukiyo-e*. The show was presented at its multipurpose E-Yeon Hall.

Also at E-Yeon Hall, an exhibition of posters by Fukuda Shigeo, a leading Japanese graphic designer, was held as part of a project launched in 2003 to introduce Japanese graphic design. The designer himself was invited to give lectures during the exhibition at the Zero One Design Center of the Kookmin Graduate School of Design and the Hong-ik University College of Fine Arts.

In the area of Japanese-language education, we continued offering our Japanese-language course for advanced learners while training Japanese-language teachers at the middle and high school level in teaching methods. *Kachi no koe* (Song of the Magpie), a triannual Internet newsletter for learners of Japanese, was issued as scheduled.

In Japanese studies and intellectual exchange, we offered grants for academic conferences and exchange projects in the fields of politics, economics, and literature and organized a conference based on a survey on the state of Japanese studies in Korea in collaboration with the Sejong Institute and other external experts. Furthermore, we made grants to 15 additional projects in diverse fields, including youth exchange, music, film, and social welfare.
The Japan Foundation, Bangkok

The Japan Foundation, Bangkok, planned and presented an exhibition titled “Have We Met?” by adding new Thai works to the “Have We Met?” exhibition held in Tokyo in 2004. It also presented a contemporary art exhibition, “Temporary Art Museum Soi Sabai,” at Silpakorn University’s art gallery featuring works by Nara Yoshitomo + graf and other artists from Asian countries including Thailand and Japan, as well as those from the United States and European countries. Other events included a traditional Okinawan dance performance at the Thailand Cultural Centre and a Japanese film festival at several movie theaters in central Bangkok.

We provide training for Thai teachers of Japanese and Japanese-language courses for intermediate and advanced learners. Approximately 66,000 people, comprising a broad range of users including researchers in Japanese studies and Japanese-language teachers, made use of our library in 2005.

The Japan Foundation, Jakarta

J-pop concerts, started three years ago as a program for youth, were held in Bandung and Jakarta and attracted significant coverage from television, radio, and magazines.

The hall of the Japan Foundation, Jakarta, hosted a retrospective exhibition of the late Suyatona, a potter and former Japan Foundation fellow, looking back over the achievements of an artist who served as a bridge between Japan and Indonesia. In addition, three exhibitions were presented as part of the “Neo Pion” series for introducing young artists, providing opportunities for many young people to visit our facilities. In a related activity, a local theater group contributed to both the introduction of Japanese culture and the promotion of local culture by staging Mishima Yukio’s Modern Noh Plays in Indonesian.

We supported Japanese-language education in cooperation with thirteen specialists assigned to Indonesia. We also operate Japanese-language courses at the intermediate and advanced levels.

We cooperated in the publication of the Japanese studies journal MANABU, thereby establishing a forum for presenting the achievements of Japanese studies in Indonesia, and actively promoted cultural exchanges with the Muslim community through lectures by Islamic intellectuals and other events.

The Japan Foundation, Beijing

The Japan Foundation, Beijing, launched Liu-Hua Net, a network of Japanese students in China, to gather information from across the nation while also sponsoring such cultural exchange events as Japanese culture festivals at local universities in Shenyang and Hangzhou. Reflecting the growing popularity of Japanese pop culture, including anime and manga, the J-pop concert held at Sichuan International Studies University in December drew more than 800 students.

Music Super Express, a program for introducing Japanese music, was launched in January at FM radio stations in Chongqing, Chengdu, Shandong Province, and other areas and is popular with many young Chinese.

In Japanese-language education, advisors dispatched from Japan have been visiting various regions in China, where they provide workshops and guidance. Over 145,000 people took the Japanese-Language Proficiency Test in December 2005. In October a symposium was held to commemorate the twentieth anniversary of the Beijing Center for Japanese Studies, which the Japan Foundation cofounded with the Ministry of Education of the People’s Republic of China.
The Japan Foundation, Kuala Lumpur

The Japan Foundation, Kuala Lumpur, sponsored a performance by the BATIK dance company at the opening of the new KL Performing Arts Center (KLPac) in Kuala Lumpur. At KLPac, which is expected to develop into a core facility for the country’s performing arts, it also held a joint production by dancer Murobushi Ko and local performers; rakugo story-telling in English, which has become quite popular in Kuala Lumpur; and a performance and drama workshop for people with special needs by the TAIHEN troupe.

In regard to movie presentations, we organized lectures by anime producers and screenings in collaboration with related local organizations. In Japanese-language education, a year-long Japanese-language teacher training course went in full swing in preparation for introducing Japanese-language education to general middle and high schools.

The Japan Foundation, Sydney

As part of the opening events of the 2006 Australia-Japan Year of Exchange, the Japan Foundation, Sydney, presented Japanese drum concerts featuring Hayashi Eitetsu, who was accompanied by his ensemble Fuun-no-kai, and TaikOz in Sydney and five other cities from February to March 2006.

Our gallery hosted an exhibition and workshop of photographs and decorative art by Kara Yamaguchi, an Australian artist living in Japan, in December 2005 and the “The Picture Books of Suzuki Koji and Arai Ryoji” exhibition and workshop in March 2006 with the participation of the two picture book authors.

The traveling Japanese film festival, in its ninth year, was held in Sydney and four other cities. Horumaika, a documentary depicting the former Yamakoshi village that was destroyed by the Chuetsu Earthquake was screened in Sydney, accompanied by a talk show by Nagashima Tadayoshi, former mayor of the village. Proceeds from ticket sales were donated to support the rebuilding of the village.

The Japan Foundation, Manila

The year 2006 was designated Philippine-Japan Friendship Year, commemorating the fiftieth anniversary of the resumption of diplomatic ties between the two countries, and the Japan Foundation, Manila, sponsored a wide variety of projects starting in January. As an opening event, we hosted a Japanese drum performance by Yamato, followed by an array of events held at one of the largest shopping malls in Metro Manila, including a J-pop concert, a poster display, previews of CDs and DVDs, screenings of Japanese films, a photo exhibition, a Japanese speech contest, and Japanese cultural demonstrations. The J-pop concert included star Filipino pop singers and attracted more than 2,000 enthusiastic fans.
Global Network

The Japan Foundation, New Delhi

The Japan Foundation, New Delhi, moved to a new building, which also contains a gallery, library, and event space, in September 2006. We supported the development of a curriculum and textbooks for Japanese as a foreign language for the secondary school curriculum. Furthermore, our Japanese-language education advisors—two in North India, based in New Delhi, and one in South India, based in Bangalore—have been promoting Japanese-language education and assisting teachers. The number of Japanese learners is rising particularly in South India due to the development of the information technology sector in that region.

We also presented other cultural events including English rakugo.

The Japan Foundation, Toronto

The Japan Foundation, Toronto, presented an exhibition introducing Japan’s modernization, coorganized with the Shibusawa Memorial Museum. This project included a panel display of nishiki-e (color woodblock prints) reproductions and photos and related lectures. In addition, we sponsored a poster exhibition of the works of Yokoo Tadanori from 1993 to the present, which were selected and donated by the artist. We also organized a lecture titled “Writers and the Library” to commemorate the tenth anniversary of its library.

Tea ceremony and flower arrangement demonstrations were presented to mark the opening of the Prince Takamado Gallery at the Royal Ontario Museum in Toronto. Grants were extended, meanwhile, to film festivals in Montreal and Vancouver where a number of Japanese films were screened.

Japanese-language education schools are scattered across the vast expanse of Canada, and the geographic challenges hinder communication among them. We, therefore, support network building by taking leadership in holding workshops and communication meetings for Japanese-language teachers of secondary schools in eastern Canada.

The Japan Foundation, São Paulo

The Japan Foundation, São Paulo, offered Japanese culture courses and lectures on Japanese dances. The “Japanese Pottery: The Rising Generation from Traditional Japanese Kilns” exhibition was held in the São Paulo Museum and then taken to six other cities, including Brasilia and Manaus. Japanese silent films were screened with narration in Portuguese accompanied by instrumental music in local cities including Santos and Campinas, and a performance by the theater group Ishinha was presented in Santos.

Internet radio stations broadcast Japanese songs around the clock in Brazil, where Japan’s anime and songs are both very popular. A new project, the Japanese-Language Karaoke Caravan in Brazil, visited São Paulo, Brasilia, Manaus, and five other cities. The traveling program conveyed the joy of learning Japanese through singing popular Japanese songs to students at middle schools and high schools as well as at colleges and universities. A national karaoke contest that was held in conjunction with the program attracted more than 1,000 people, who filled the venue with excitement.
The Japan Foundation, New York

The Japan foundation New York, cooperated comprehensively in introducing a Japanese film series through diverse media channels, such as newspapers and websites, organized between fall 2005 and spring 2006 by the Museum of Modern Art, New York, the Lincoln Center, the Film Forum, the Japan Society, and the Brooklyn Conservatory of Music. In promoting this event, it presented traveling film screenings at five universities, including the University of Kansas and the University of Wisconsin-Madison, in the Midwest, where opportunities for viewing Japanese films are scarce.

In the performing arts, we organized a screening panel as the secretariat of Performing Arts Japan, a support program for the production of Japanese performing arts in North America; operated a booth at the Association of Performing Arts Presenters’ annual conference, the largest art show in the United States; and presented a showcase of Japanese music groups at the Asia Society.

The Japan Foundation, Los Angeles

The Japan Foundation, Los Angeles brought together Japanese-language teachers from around the country for a Japanese-language education symposium in Baltimore, where the regional representatives engaged in lively discussion.

In addition, in cooperation with the Alliance of Association of Teachers of Japanese and the Association of Florida Teachers of Japanese, it organized a summer training session for Japanese-language teachers in the United States. The training consisted of online sessions as well as hands-on training at Florida International University.

We also organized a conference in Los Angeles for curators of major museums from around the nation to exchange opinions on challenges and opportunities faced by museums.

The Japan Foundation, Mexico

The Japan Foundation, Mexico, introduced various examples of contemporary art at the Festival Internacional Cervantino with far-reaching results.

In September we organized the Japan-Mexico Culture Summit, which brought together cultural leaders from Japan and Mexico in Mexico City for deep discussions on a wide range of subjects, including the future direction of cultural exchange. In Japanese-language education, which is also steadily developing in Mexico, we were involved in projects that contributed to reinforcing the education infrastructure, such as training for Japanese-language teachers and donating instructional materials to educational institutions.

We also held seminars for strengthening the network of researchers on Japan and Japanese studies institutions in Latin America and cooperated with cultural exchange projects in Latin American countries by sending experts in Japanese culture living in Mexico to demonstrate tea ceremonies and flower arrangement.
In 2005 the Japan Foundation, London, held a wide variety of events, including a concert by the Stringraphy Ensemble in four cities and a special screening of movies based on manga under the title “Comic Proportions” in five cities. In cooperation with the Victoria and Albert Museum, we held a symposium and public seminars on the current state of Japan-related collections housed in museums in Britain. In addition, we ran a relatively small-scale support program in fields such as the arts and Japanese studies.

In Japanese-language education, we offered courses to improve the skills of Japanese-language teachers, a project called Head Start, which provided information to head teachers in charge of foreign language departments at schools that have yet to introduce Japanese; and visits to classes as requested by schools across the country. Moreover, through our website we offer information related to Japanese-language education including teaching resources.

Many cultural projects were organized in Hungary in 2005, the EU-Japan Year of People-to-People Exchanges. The Japan Foundation, Budapest presented a well-received bunraku performance that sold out over successive days and participated in the Sziget Fesztival, one of the largest outdoor events in Central Europe, featuring performances on Japanese and Western drums by HidaJimbo. It also introduced Japan through film screenings, as well as hosting a sumo demonstration and presentation by Takeuchi Ryusaku, a councilor of the Japan Sumo Federation, and a lecture on Japanese anime by Maruyama Masao of Madhouse Ltd.

Traveling shows of photographic panels, Japanese dolls, and other exhibition sets held by the Japan Foundation, Budapest, were held across Hungary and in neighboring countries. In March our office was relocated to the center of the city to allow more convenient access to our library and other facilities. We operate Japanese-language courses in which about 90 learners are enrolled.

The Japan Foundation, Cairo presented the 2006 Japan Culture Festival in Cairo jointly with the Japan Information Center of the Embassy of Japan in Egypt. Five events were particularly highlighted during the festival: a Tsugaru shamisen concert, a performance by pianist Miura Yurie with the Cairo Symphony Orchestra, a joint concert by performers of Arab music from Japan and Egypt, a doll exhibition, and a Japanese film festival. The events attracted more than 5,000 visitors. To encourage young people’s interest in Japan, we organized an essay contest on TUGUMI, the Arabic translation of a novel by Yoshimoto Banana, and a lecture introducing haiku. In regard to Japanese-language education, we support institutions and teachers across the entire Middle East centered on Egypt, such as by holding annual Japanese-language education seminars in Cairo for Middle Eastern teachers of the Japanese language to promote training and network building among them.
The arts and lifeways that have been cultivated in Japan through the centuries encapsulate the aesthetic sensibilities, values, and ingenuity of its people. The Arts and Culture Group of the Japan Foundation is committed to furthering mutual understanding by introducing the country’s fine arts, architecture, music, theater, dance, cinema, TV programs, literature, and sports, as well as by shedding light on the historical and social background that gave birth to them—a perspective that is often overlooked when cultural products are transmitted commercially.

We also support the building of networks among citizens and young people who will play leading roles in the future of intercultural exchange, the development of human resources for cultural exchange, and the conservation of cultural heritage. In addition, we tap the rehabilitative qualities of cultural activities to extend psychological care to children in other countries who have been traumatized by disaster or war.

Furthermore, with the conviction that human interaction is the keystone of intercultural understanding, the Japan Foundation invites influential cultural and social leaders from various countries to Japan, offering them the opportunity to experience Japanese culture firsthand and to share views with their Japanese counterparts.
YOKOHAMA 2005: International Triennale of Contemporary Art

Art Circus: Jumping from the Ordinary

Kawamata Tadashi, who was designated as the Artistic Director, planned and organized the exhibition with the assistance of three curators—Amano Taro, Serizawa Takashi, and Yamano Shingo—under the overall theme of “Art Circus: Jumping from the Ordinary.” The outcome was a dynamic exhibition that embodied not only the main theme and the accompanying slogans, such as “No one knows what will come out next” and “Extraordinary experiences,” but also the concept of an exhibition as a work in progress, advocated by Kawamata as an artist in his own right.

A wide variety of related events were organized alongside the exhibition at Yamashita Pier, and a diverse selection of programs, including films, music, performing arts, poetry readings, and other performances were held every day. In addition, with the cooperation of museums that held exhibitions during the same period, various education programs for children and adults were organized, which attracted about 3,300 participants for a total of 215 tours.

Citizens exposed to contemporary art

Outside of the main venue, a number of major projects, such as an installation decorated with triangular pennants by Daniel Buren, a circus by BUREN CIRQUE cie ETOKAN, an arch built with four containers by Luc Deleu, and “Villa Kaikouen” by Niscino Tazro, appeared in locations across the city. The everyday cityscape of Yokohama was transformed into a festival providing invaluable opportunities for citizens to experience contemporary art for the first time.
“Cubism in Asia” was jointly planned by the Japan Foundation and three national museums in Tokyo, Seoul, and Singapore as the first such collaboration in Asia. To explore the modern period as a common theme across the Asian region, organizers took up cubism, the most representative style in modern art history, and shared the entire process from research to realization.

This special exhibition was significant not only as an exchange program involving multiple countries but also because the coorganizers shouldered the costs on a nearly even basis and worked on an equal economic footing. General audiences also valued the exhibition as an opportunity for sharing the awareness of being a part of a region that experienced much turbulence during the twentieth century.

In addition to the exhibition, international symposiums were held in the three cities.

Fifty-first International Art Exhibition at the Venice Biennale
Mother’s 2000–2005: Traces of the Future

The Japanese pavilion at the Venice Biennale's fifty-first International Art Exhibition, one of the largest festivals of contemporary art in the world, presented a solo exhibition titled “Mother’s 2000–2005: Traces of the Future” by photographer Ishiuchi Miyako. Thirty-five photographs of the “Mother’s” series, including latest additions, depicting personal mementos of Ishiuchi’s mother as well as her skin just before her death were presented alongside some video works.

For the event, the original marble floor of the Japanese pavilion was exposed for the first time in nearly 20 years, adding a distinctive accent to the rectangular space. This contributed to superbly expressing the intent of the pavilion’s commissioner, Kasahara Michiko, to have the past and future intersect in both the works and the space. For the first time in the 110-year-long history of the Venice Biennale, the artistic direction of this international exhibition was headed by two people, both women. The overall event attracted about 910,000 visitors, with the Japanese pavilion drawing a total of approximately 130,000 people.
**Positioning—In the New Reality of Europe**

New European reality after the demise of the socialist order

“Positioning” was a touring exhibition that the Japan Foundation jointly sponsored with the National Museum of Art, Osaka, the Hiroshima City Museum of Contemporary Art, and Museum of Contemporary Art Tokyo. The exhibition displayed about 70 works in various forms, including paintings, sculptures, photographs, videos, and interactive works created by 11 artists and groups from Poland, the Czech Republic, Slovakia, and Hungary.

The project provided them with an ideal and multifaceted opportunity for experiencing the new reality of Europe after the demise of the socialist system, as most of the exhibited works had been created in 2000 and later. The project was conducted as part of the EU-Japan Year of People-to-People Exchanges.

**Festival Internacional Cervantino in Mexico**

Japanese art generates excitement at Mexico’s premier art festival held every year in the central Mexican city of Guanajuato, known as one of the most important art festivals in Latin America. Nearly 2,500 artists from more than 32 countries across the world participated in this large-scale event. Each year the festival invites guest countries to introduce the various aspects of their arts. In 2005, Japan and Spain were invited.

In response to the festival’s request to introduce contemporary and innovative Japanese arts, the Japan Foundation presented the diverse dimensions, including a dance by Kasai Akira; a performance by Ishinha, a theatrical company based in Osaka; Yûzuru, an international collaborative opera; and concerts by Miyazawa Sick Band, Rin’, and the taiko drumming group GOCOO. In addition to the performing arts, we also offered such exhibitions as “Japanese Design Today 100” and “Contemporary Japanese Architecture.” The events drew large crowds and received widespread coverage in the mass media.

**Naruse Mikio Retrospective: A Touring Film Festival in North America**

Works of unknown Japanese master screened in the United States and Canada

What is the title of the first Japanese sound film commercially released in the United States? Only a few outside the film industry might be able to answer this question. The answer is *Tsuma yo bara no yô ni (Wife! Be Like a Rose!)* directed by Naruse Mikio, which was released at the time under the title *Kimiko*. Surprisingly, however, the director has been virtually unknown in North America, although he has always been highly regarded in Japan.

In collaboration with Cinematheque Ontario, the Japan Foundation presented a touring film show of Naruse Mikio, “the fourth master,” after Ozu, Kurosawa, and Mizoguchi from September 2005 to April 2006. A total of 34 films including 28 new prints covering silent movies and *Floating Clouds*, his last work, were shown at 18 venues in 14 cities across the United States and Canada. This extensive program attracted several thousand viewers at each venue.

The Japan Foundation was particularly pleased to be able to provide an opportunity for viewing the actual movies to people who had been searching for Naruse’s work based on the praise expressed by such film directors and critics as Edward Yang and Susan Sontag.
This cultural exchange program focuses on encounter and discovery by inviting to Japan distinguished overseas cultural figures who have not previously come into contact with Japan and facilitating opportunities for experiencing Japanese culture and interacting with Japanese people.

We request nominations for artists, writers, and leaders of cultural organizations who represent countries from across the world. On average, 30 people are chosen each year and asked if they would like to visit Japan for a short period of no more than 15 days.

Taking into account their respective areas of expertise, the Japan Foundation develops the ideal schedule that enables them to deepen their understanding of Japan and enjoy expanding their network of Japanese experts.

### 2005–2006 Distinguished visitors under the short-term cultural figure invitation program

<table>
<thead>
<tr>
<th>Region / Country</th>
<th>Name</th>
<th>Title / Organization</th>
<th>Invitation period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia &amp; Oceania</td>
<td>Thailand</td>
<td>Varavarn Kasama</td>
<td>Permanent Secretary, Ministry of Education</td>
</tr>
<tr>
<td></td>
<td>Indonesia</td>
<td>Rin Toh-Sarumpaet</td>
<td>Chairperson, Association of Indonesian Literature Scholars</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ratna Sarumpaet</td>
<td>Director, Jakarta Art Council</td>
</tr>
<tr>
<td></td>
<td>Vietnam</td>
<td>Thi Thanh Pham</td>
<td>Deputy Director, Center for Research, Conservation and Development of National Culture</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hoang Chuong Truong</td>
<td>Director, Center for Research and Preservation of Traditional Cultures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tung Minh Le</td>
<td>Vice Chairperson, An Giang Provincial People’s Committee</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td>Simadri Bihari Ota</td>
<td>Director General, Archaeological Survey of India</td>
</tr>
<tr>
<td></td>
<td>Pakistan</td>
<td>Agha Masood Hussain</td>
<td>Editor, Readers Publications</td>
</tr>
<tr>
<td></td>
<td>Bangladesh</td>
<td>Ali Imam</td>
<td>General Manager, Bangladesh Television (BTV)</td>
</tr>
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<td></td>
<td>New Zealand</td>
<td>Te Taru White</td>
<td>Deputy Director, Museum of New Zealand Te Papa</td>
</tr>
<tr>
<td>The Americas</td>
<td>Canada</td>
<td>Geoffrey Taylor</td>
<td>Director, Toronto International Festival of Authors</td>
</tr>
<tr>
<td></td>
<td>Mexico</td>
<td>Carlos Ashida Cueto</td>
<td>Director, Camilo Gil Museum of Contemporary Art</td>
</tr>
<tr>
<td></td>
<td>Brazil</td>
<td>Armando Monteiro Lorençato</td>
<td>Journalist and critic, Veja Newsweek</td>
</tr>
<tr>
<td>Western Europe</td>
<td>France</td>
<td>Francis Didier Wolff</td>
<td>Professor, Ecole Normale Supérieure</td>
</tr>
<tr>
<td></td>
<td>UK</td>
<td>Graham Upton</td>
<td>Vice-chancellor, Oxford Brookes University</td>
</tr>
<tr>
<td></td>
<td>Germany</td>
<td>Karola Gresslin</td>
<td>Director, Kunstverein Braunschweig</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>Uzbekistan</td>
<td>Alisher Amanullaevich Fayzullaev</td>
<td>First Vice Rector, University of World Economy and Diplomacy</td>
</tr>
<tr>
<td></td>
<td>Kazakhstan</td>
<td>Murat Mukhtarovich Auezov</td>
<td>Director, National Library of the Republic of Kazakhstan; writer</td>
</tr>
<tr>
<td></td>
<td>Romania</td>
<td>Dan Bugu</td>
<td>Rector, The National University of Music in Bucharest</td>
</tr>
<tr>
<td></td>
<td>Russia</td>
<td>Victor Pelevin</td>
<td>Writer</td>
</tr>
<tr>
<td>Middle East &amp; North Africa</td>
<td>Afghanistan</td>
<td>Siddiq Barmak</td>
<td>Film director, Balmac Film</td>
</tr>
<tr>
<td></td>
<td>Morocco</td>
<td>Souad Rezok</td>
<td>Director, Direction of the Arts, Ministry of the Culture</td>
</tr>
<tr>
<td>Africa</td>
<td>South Africa</td>
<td>Maas George Michael</td>
<td>CEO, Artscape</td>
</tr>
<tr>
<td></td>
<td>Mozambique</td>
<td>Mauricio das Neves Tembe Joel</td>
<td>Director, Mozambique Historical Archives</td>
</tr>
</tbody>
</table>
Cultural Cooperation Program

The Japan Foundation, supports activities in the fields of culture and sports. To support those who are working to restore Istalif ware, a traditional craft of Afghanistan that was nearly destroyed in the recent wars, in cooperation with the UNESCO Kabul Office, the Foundation invited potters, administrators, and NPO staff of Istalif County (north of Kabul). From July 11 to 22, 2005, they visited ceramic factories, potteries, and other facilities in Gifu, Aichi, Ehime, Oita, Fukuoka, and Tokyo to observe, learn, and exchange insights on ceramic arts and techniques.

The Foundation also dispatched specialists in sports, painting restoration, music, and other fields and supported human resources development (seven projects in 2005).

In addition, four specialists were sent to Asia and Latin America and assistance was provided to four projects related to the protection of intangible and tangible cultural heritage overseas.

Cultural Presentation Abroad Program

As a part of our program to dispatch cultural luminaries to introduce Japan, the Japan Foundation sent Ishiguro Iku of Doga Kobo, an animation studio that has been involved in creating the Pokemon series, Takeuchi Takatsugu of Telecom Animation Film, and Matuyama Masao of Mad House, who worked on producing Tokyo Godfathers, to Latin America, Southeast Asia, and Eastern Europe, respectively. In the United States, Watanabe Shin’ichiro of "Cowboy Bebop" fame and the producer of "Ghost in the Shell" held lectures, both of whom were welcomed by a large number of fans.

The Foundation was also involved in dispatching a total of 55 specialists in karate, anime, woodblock prints, and flower arrangement to 40 countries to undertake 22 projects, including performances, instruction, and workshops. Assistance was also provided to 60 projects.

Secondary School Educators Exchange

This program, which has been operated for 33 years, invites teachers from junior high and high schools from across the world to observe the education, culture, and industry in Japan and experience a deeper exchange with school staff. In 2005, 213 teachers were invited from 56 countries.
Arts and Cultural Exchange: Other Major Programs

### Visual Arts

**Twelfth Bangladesh Biennale**

An international exhibition of modern art focusing on Asian countries that has been held in Dhaka since 1981. A total of 348 artists from 33 countries participated in the twelfth biennale. Fuji Hiroshi and Teruya Yuken participated from Japan under commissions from Arts Initiative Tokyo (AIT). Fuji, along with Iranian and Bangladeshi artists, won Awards for Excellence.

**Overseas and domestic exhibitions**

A total of seven exhibitions were presented in cooperation with overseas museums: “Visions of the Body” (Korea), “Cubism in Asia” (Korea, Singapore), “CHIKAKU: Time and Memory in Japan” (Austria, Spain), “YOKAI: Bestiary of the Japanese Fantastic” (France), “JIKI: Japanese Porcelains 1610–1760” (Italy, France, Belgium), and “Sakamoto Kazunari, Houses: Poetics in the Ordinary” (Czech Republic, Germany, Denmark, Estonia, Norway). Two jointly hosted exhibitions were held in Japan and 11 others received financial assistance.

**Information exchange in visual arts**

A total of 17 visual art specialists were invited from Australia, Eastern Europe, and Asia to collect and provide information in Japan, and one Japanese researcher on Islamic art was dispatched to an institute in Hawaii. Conferences for networking among young art curators from five Asian countries were held in Tokyo and Osaka.

### Performing Arts

**Overseas tours of Japanese performing artists**

The Japan Foundation arranged overseas tours for a total of 29 groups encompassing every genre from traditional Japanese music and theater to drama, jazz, and pop in 46 countries.

**Tokyo International Arts Festival**

The festival was held from February 10 to March 27, 2006. The Japan Foundation participated by hosting such artists as Yasmeen Godder, a spirited choreographer from Israel, and Sulayman Al-Bassam, who stands at the forefront of Arab theater, from Kuwait. They were respectively represented by “Strawberry Cream and Gunpowder,” a controversial work that was received with shock and admiration in Israel, and “Kalila wa Dimna,” also titled “The Mirror for Princes,” a new coproduction between Kuwait, Japan, and Britain.

**Support program for the performing arts Japan (United States and Canada)**

The Japan Foundation provided assistance to 10 events organized by U.S. non-profits to introduce Japanese performing arts in the United States and Canada. In addition, we supported 154 Japanese groups in sending representatives overseas.
Performing Arts Network Japan: Website specializing in performing arts

The site provides information on Japanese contemporary performing arts, overseas festivals and art shows, performing arts presenters, and so forth in both English and Japanese with the goal of galvanizing international exchanges related to the performing arts. [http://www.performingarts.jp/](http://www.performingarts.jp/)

Audio–visual, Publications, and Public Exchange

Arab film festival

The first festival of Arab films in Japan was held at the Japan Foundation Forum from April 15 to 24, 2005. The festival consisted of two parts: “Iraqi Film Retrospective” showed films that ranged from the oldest existing films to the most recent, and “New Arab Cinema” introduced blockbuster hits from Arab countries including Egypt, Tunisia, and Syria. Most of the 17 films were shown for the first time in Japan.

Translation and publication support program

The Japan Foundation cooperated in translating notable books written in Japanese and in publishing books written in other languages in the fields of humanities, social science, and the arts (29 countries, 57 projects).

Community Leaders and Youth Exchange

Community leaders and youth exchange at the grass-roots level

The Foundation implemented seven projects under the Community Leaders and Youth Exchange program, including the dispatch of a team of specialists in community revitalization to Bhutan and India and sending Japanese participants to a symposium on youth development in Britain. Assistance was also provided to 83 people-to-people exchange projects.

The Tenth Asian Cartoon Exhibition

This exhibition has been held every year since 1995 to offer a multifaceted insight into Asian society, culture, and life. Under this year’s theme, “Asian Environmental Issues,” 77 new works by 10 cartoonists from 10 Asian nations—Cambodia, India, China, Indonesia, Japan, Korea, Malaysia, the Philippines, Thailand, and Vietnam—were exhibited at the Japan Foundation Forum. A discussion on Asian environmental issues was also held on the opening day.

Lectures for introducing foreign cultures to Japanese people

Seventeen public lectures to introduce foreign cultures to Japanese people were held, and 16 courses on Asia, Oceania, Central America, and the Middle East.

Kaiko Takeshi Memorial Asian Writer’s Lecture Series

These annual lectures invite Asian writers through an endowment from the family of the late Kaiko Takeshi. In 2005, Imdadul Haq Milon, a novelist from Bangladesh, gave lectures at four locations in Japan.
The Japan Foundation, whose founding mission is to promote mutual understanding between Japan and other cultures and contribute to the development of a peaceful global community, places special emphasis on Japanese-language education as a way of making Japanese culture more accessible to people around the world and devoted to promoting all facets of Japanese-language education—from the development of instruction methods and textbooks to teacher training and administration of the Japanese-Language Proficiency Test outside Japan.

As Japanese is coming to be used in increasingly diverse domains, Japan has an international obligation to support efforts to improve Japanese-language education worldwide and to proactively strengthen the education that it provides. To fulfill its share of this obligation, the Japan Foundation launched an initiative in May 2005 to create international standards for Japanese-language education. It hopes to release the standards in 2009 in time with the revisions to the Japanese-Language Proficiency Test, which is administered by the Japan Foundation in countries outside Japan.
Establishing New Standards

Diversifying aims and interests among learners

The number of people studying Japanese outside Japan surpassed 2 million in 1998, and by 2003 the figure had risen to 2.35 million. There has been a particularly notable increase among younger people, and there is also a growing interest in Japan’s cultural exports. This has resulted in a diversification of interests and objectives among language learners, prompting reports that existing teaching and evaluation methods are not adequate in coping with such trends.

The Japan Foundation’s involvement in Japanese-language education has thus far centered on supporting the initiatives undertaken in each country and region and on answering their distinctive needs. This was believed to be the optimum approach, as it emphasized respect for local efforts and encouraged independent, localized education. Indeed, this has helped build a solid base for Japanese-language instruction in many countries. At the same time, the worldwide spread of Japanese-language education has proceeded much faster than anticipated, partly as a result of advancing globalization, and it is becoming evident that existing methods cannot adequately deal with this new reality.

Time for sweeping adjustments

Full-fledged efforts to systematize and standardize language education have been ongoing since the 1990s in the United States, Australia, and Europe, which have increasingly been marked by multicultural coexistence and greater need for multilingual education. The linguistic environment in Japan differs from those in these countries and regions, but given the remarkable growth in Japanese-language education overseas, the day is not far off when Japanese will be more commonly used in various international contexts. Within Japan as well, further increases in the number of foreigners will naturally lead to a broader range of speakers of the language. As such, the Japan Foundation has concluded that now is the time for sweeping adjustments in Japanese-language education. This can also help promote the autonomy and localization of teaching efforts being made around the world.

What, exactly, does systematization and standardization involve? Not only in the acquisition of Japanese but in any foreign language, it is customary to determine and evaluate learners’ level of proficiency in accordance with the number of hours studied or words and phrases acquired, ranking them into such categories as “beginner,” “intermediate,” and “advanced.” This does not, however, enable the objective gauging of the learners’ real communication abilities. Communicating in a foreign language involves more than just having an adequate knowledge of words and phrases; one must also be able to carry out linguistic activity in real circumstances and specific domains to cope with a variety of situations and conditions in that language’s cultural milieu. By systematizing such abilities and establishing standards for each learning level, and by measuring achievement through tests and other evaluation methods on the basis of those standards, it would also be possible to establish international standards for the education of that language.

Building Japanese standards on Western-language models

In fiscal 2005 the Japan Foundation launched a project spanning several years aimed at constructing Standards for Japanese-Language Education based on Western-language precedents. This time span is extremely short considering the more than three decades that were required to prepare and introduce similar standards in Europe. Having served for 33 years as a core organization in
developing domestic and international human resources in Japanese-language education, however, the Japan Foundation believes this to be a realistic target. For more than two decades we have administered the Japanese-Language Proficiency Test. As the structure and functions of the test can serve as a prototype for the gauging of linguistic ability under the Standards for Japanese-Language Education, we are working on revising the proficiency test alongside creating the standards. These efforts are aimed not only at improving and promoting the Japan Foundation’s various Japanese-language programs but also at encouraging the development of Japanese-language education in general, both in and outside Japan. We feel that this task is our international responsibility in promoting the use of the Japanese language in international society.

### Japanese-Language Proficiency Test

The Japan Foundation has conducted the Japanese-Language Proficiency Test in collaboration with overseas testing bodies since 1984 to assess and certify the Japanese-language competence of non-native speakers. (In Japan, the test is conducted by Japan Educational Exchanges and Services.)

The test consists of three parts—writing, vocabulary, listening, and reading-grammar—and is classified into four levels of proficiency. The 2005 test session was held in 116 cities in 44 countries and regions overseas on Sunday, December 4, 2005, with approximately 400,000 examinees.

#### 2005 Japanese-Language Proficiency Test: Examinees by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Examinees</th>
<th>Test sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>278,286</td>
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<tr>
<td>Oceania</td>
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<td>The Americas</td>
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<tr>
<td>Europe</td>
<td>6,561</td>
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<tr>
<td>Middle East and Africa</td>
<td>504</td>
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<tr>
<td>Japan</td>
<td>61,457</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>356,244</td>
<td>136</td>
</tr>
</tbody>
</table>

### Internet Japanese Test—Sushi Test

A proprietary introductory-level test developed by the Foundation for young overseas learners; released in March 2004. (In English, Chinese, Korean, Thai, Indonesian, and Portuguese)

Learners can take the test for free as many times as they wish by accessing the website and completing the user registration form. The test, which has a time limit of 30 minutes, consists of 30 questions in three parts. A “sushi chef” rewards students according to their score.

### Japanese-Language Specialists Dispatch Program

The Japan Foundation sends Japanese-language specialists and junior specialists overseas to train Japanese-language teachers, develop curriculums and teaching materials, and offer advice on teaching methods and lesson plans. In 2005 we sent 80 Japanese-language specialists to 39 countries and 32 junior specialists to 18 countries and held 11 traveling seminars in 10 countries.

The Foundation also provides indirect support by underwriting the participation of lecturers overseas for Japanese-language courses and disbursing grants for speech contests, conferences, seminars, and workshops.

In 2005 the Foundation began dispatching Japanese-language assistant teachers and senior visiting professors under the JF Volunteers Program to meet the diverse needs of overseas organizations engaged in Japanese-language education while expanding work opportunities for Japanese-language specialists of different ages and backgrounds.
The Japan Foundation Japanese-Language Institutes in Urawa and Kansai

The Japan Foundation Japanese-Language Institute, Urawa, was established in 1989 in response to the rapidly rising number of students learning Japanese, their diversifying goals for studying the language, and the increasing calls from overseas institutions for additional assistance and closer cooperation. The Institute comprises a main building for the classrooms, administration offices, a library—the only library in the world that collects Japanese-language teaching materials and related resources from across the globe—and a 148-room dormitory.

The Institute conducts programs for Japanese-language teachers at primary, secondary, and post-secondary institutions, including child and adult education, and invites them to participate in coursework related to the Japanese language and Japanese-language education as well as Japanese culture and society. It also operates a graduate-level program in Japanese language and culture offering M.A. and Ph.D. degrees in collaboration with the National Graduate Institute for Policy Studies. This program is designed to train individuals who will guide the course of Japanese-language education in various overseas countries.

The Institute also invites specialists to Japan and provides the necessary support for overseas Japanese-language and research institutes to offer the opportunity for their Japanese-language specialists to conduct research and studies in Japan. In addition, the Institute provides grants to overseas publishers that plan to publish Japanese-language-related teaching materials. The Institute donates teaching materials to educational institutions overseas.

The Japan Foundation Japanese-Language Institute, Kansai, began operations in 1997. Its main buildings include an 18-story dormitory and a 2-story building housing classrooms and other training facilities, the library, meeting rooms, and administrative offices. It conducts Japanese-language training programs for people whose jobs require some level of proficiency in the Japanese language, such as foreign-service officers, public officers, librarians, researchers and postgraduate students. Other Institute services include training programs and recognition for Japanese-language learners to encourage their studies and to deepen their understanding of Japanese society and culture, such as the Study-Tour Award for Outstanding Students of the Japanese Language, Japanese-Language programs for high-school students and the Lee Soo-Hyun Memorial Program, which invites young people from Korea to Japan. It also conducts local exchange programs, including a basic Japanese-language program for JET participants in Osaka and an intensive program for Australian Teachers invited by the Osaka prefectural government.

Japanese-Language teaching materials
The Japanese-Language Institute, Urawa develops and publishes Japanese-language teaching materials, including textbooks, dictionaries, and multimedia materials. A list of the Japanese-language teaching materials developed by the Japan Foundation can be reviewed at:

http://www.jpf.go.jp/j/urawa/j_rsorcs/jrs_02.html

The Minna no Kyōzai site at:

http://www.jpf.go.jp/kyozai/ offers free teaching materials for Japanese-language teachers worldwide; launched in 2002 and annually updated to include more photos, illustrations, and functions, the site recorded over 2.5 million page views in 2005 (in Japanese, English and Korean).

Japanese-Language Education Information Available in Print or on Our Website

- Nihongo Kyōiku Tisshin Nos. 52–54 (in Japanese)
  Information on teaching materials, classroom ideas, current topics, and trends in Japanese-language education.

- Kokusai Koryu Kikin Nihongo Kyouiku Kyyo
  Research papers, education reports, and other articles by Foundation specialists.

- Sekai no Nihongo Kyōiku (Japanese-Language education around the globe) No.15 (in Japanese)

Collected papers on Japanese-Language education:
- Survey of Overseas Organizations Involved in Japanese-Language Education.
  Full report and executive summary published by Bonjinsha in March 2005. Summary is available on our website in English at:
  http://www.jpf.go.jp/e/japan/oversea/index.html

  http://www.jpf.go.jp/e/japan/oversea/index.html
Japanese Studies and Intellectual Exchange

Since its inception, the Japan Foundation has supported Japanese studies programs in various overseas educational institutions in the conviction that deepening understanding of Japan can help improve international relations. It has flexibly extended assistance to programs ranging from the study of Japan’s history, literature, society, art, and other aspects of Japan’s civilization to social scientific and interdisciplinary analysts of the country. The Japanese Studies Fellowship allows foreign scholars to conduct research in Japan, while grants are extended for research projects and conferences by institutes of Japanese studies.

The Japan Foundation also promotes intellectual exchange to help expand and deepen international dialogue. This it does by planning and implementing assistance for symposiums, research, and network building so that intellectual leaders in diverse disciplines can work across national borders toward the solution of global and regional issues. Moreover, the Foundation conducts programs aimed at furthering understanding of problems shared globally or regionally, as well as fellowship programs for nurturing future leaders. It also supports the intellectual exchange programs planned and implemented by other organizations.

In 1991 the Japan Foundation founded the Center for Global Partnership, which offers fellowships and research grants for activities primarily in the United States. Having awarded Abe Fellowships to 234 individuals to date, it plays a key role in bilateral intellectual dialogue. With respect to Asia, meanwhile, the Japan Foundation focuses its energies on promoting network building.

Through these endeavors, the Japan Foundation aspires to advance mutual understanding on many fronts and levels, thereby contributing intellectually toward the world’s development and stability.
Novels by Murakami Haruki have been translated into more than 30 different languages. The author’s works can thus be thought of as a lingua franca for young readers around the world. What is the biggest appeal of Murakami’s stories? How does his message relate to the major issues confronting modern society? And what is the role of translation in a rapidly globalizing world? In March 2006 the translators, novelists, and critics most qualified to address these questions were invited to take part in symposiums and workshops titled “A Wild Haruki Chase: How the World Is Reading and Translating Murakami” in Tokyo, Kobe, and Sapporo.

The Tokyo program was held on March 25 and 26 and attracted a total of around 750 people. Richard Powers, one of the most celebrated novelists in the United States, gave a keynote presentation, which was followed by a panel discussion among translators. They shared their knowledge of how Murakami is being translated, published, and read in their respective countries, and offered insights on why Murakami is so popular and related interesting episodes during the translation process. During the workshop on translation, comparative analyses of technical points were made by examining how specific passages from Murakami’s works were treated. Panelists also related the joy of translating Murakami.

In the workshop on representation, the global Haruki boom was examined from the viewpoint of cultural representation. Comparisons were made of how Murakami’s works were being read in various countries, and trends were revealed in the foreign acceptance of Murakami’s works. At Kobe High School, Murakami’s alma mater, Professor Yomota Inuhiko gave a keynote speech and also moderated a panel discussion on the latest Murakami-related developments around the world.

In Hokkaido, which is deeply associated with some of Murakami’s novels, Professor Mochizuki Tetsuo of Hokkaido University’s Slavic Research Center led a discussion on the secret of Murakami’s popularity in various countries. The Hokkaido program was held at Hokkaido University in the city of Sapporo. The programs examined such issues as how foreign readers of Japanese literature regard Murakami’s works, how the Murakami boom is changing Japan’s image among foreign readers, and what the role of translation should be in a globalizing world.

The contents of the workshops and symposiums, which explored the possibilities of new forms of communication through Murakami literature, were published in book form in October 2006.
The Asia Leadership Fellow Program (ALFP)

The Asia Leadership Fellow Program seeks to create a close personal and professional network of intellectuals in Asia who are deeply rooted in and committed to civil society beyond their own cultural, disciplinary, and geopolitical backgrounds. Jointly founded by the Japan Foundation and the International House of Japan in 1996, the ALFP annually provides an opportunity for selected leaders from across Asia to reside for two months at the International House of Japan in Tokyo and engage in collaborative and individual research and exchange activities. Since its initiation, the program has annually invited five to eight fellows from nearly 15 countries, and there are now over 50 fellows representing diverse professional backgrounds, ranging from academia, journalism, publishing, law, education, and the arts, in nongovernmental organizations and nonprofit activities.

Marking the 10th anniversary of the program, a reunion conference was held in Fukuoka and Busan from June 26 to 30, 2005, with the participation of 39 ALFP fellows. Under the theme, “Asia as a Community: Concept or Reality?” a wide variety of topics were discussed to examine the identity of Asia as a hybrid entity with diverse and pluralistic values and growing solidarity. Two other commemorative projects were conducted: the compilation of a directory of all 54 fellows with updated information on each fellow, including affiliation, specialty, and accomplishments, such as major publications, and an alumni book project, in which selected writings by ALFP fellows were edited into book form and published under the title, “The Community of Asia: Concept or Reality?” in May 2006.

Beijing Center for Japanese Studies Twentieth Anniversary International Symposium

The year 2005 was the twentieth anniversary of the Beijing Center for Japanese Studies, as well as the twenty-fifth year since the founding of its predecessor, the Ohira School. To celebrate this milestone, an international symposium was conducted under the theme of current Japanese affairs. The program included a commemorative lecture, panel discussions, group sessions, and a presentation on posters.

The commemorative lecture, titled “A Comparison of Chinese and Japanese Cultures: The Past and Present of Things ‘Chinese’ and ‘Japanese,’” was given by Managing Director Liu Deyou of the China International Culture Association. Liu introduced traditional concepts and recent research topics of Japanese studies in China by referring to familiar examples, such as a comparison of haiku and Chinese-style poetry. He spoke to the audience about “heart-to-heart” exchange while emphasizing the importance of creative Japanese studies from a scientific perspective.

In a panel discussion focused on the power of Ghibli’s Anime films, three panelists—Professor Susan J. Napier of the University of Texas, Assistant Professor Yonemura Miyuki of Konan Women’s University, and Wang Zhong Yi, editor-in-chief of People China—were joined by Professor Qin Gang of the Beijing Center for Japanese Studies, who served as moderator.

At the group sessions, more than 150 presentations and discussions were held in 18 venues under the themes established for each of three fields.
Japanese Studies and Intellectual Exchange

Fortieth Anniversary of Normalization of Korea-Japan Diplomatic Relations

To commemorate the fortieth anniversary of the normalization of diplomatic relations between Korea and Japan, the Japan Foundation supported a major international conference drawing upon the academic communities of Japan and Korea, organized by the Korean Association of Contemporary Japanese Studies. The three-day event, which received ample media coverage, explored the cultural, political, and economic dimensions of the bilateral relationship and featured four roundtables of business, political, and military/security leaders and opinion makers.

Approximately 2,000 people attended presentations and workshops led by about 200 experts from Japan, Korea, China, and other countries. The outstanding attendance and breadth of the conference set the stage for frank, passionate discussions focusing on the past, present, and future of Japan-Korea relations.

Japan-Arab Dialogue from a Global Perspective

In the context of advancing globalization, relations between Japan and Arab nations are growing in importance, necessitating a fresh look at policy issues and potential areas of collaboration.

The Japan Foundation and the Al-Ahram Center for Political and Strategic Studies in Egypt sponsored two discussion meetings in Cairo and Tokyo. The meetings brought together intellectuals from both nations primarily engaged in policy studies in the social sciences to sketch out a common agenda. Topics of discussion included: the role and responsibility of the media in resolving misunderstandings between cultures; the potential of applying Japan’s experience of modernization to Arab countries; optimum scenarios for economic reform and regional economic integration in the Arab and Asian regions; an effective Japan-Arab security dialogue framework for comprehensive security; and fair definitions of terrorism and other concepts that are prone to political and factional biases.

Public symposiums and lectures were also held in both cities, and the results were reported through media channels.

Second Japan-EU Think Tank Roundtable

The Second Japan-EU Think Tank Roundtable took place in Brussels, Belgium, in mid-November 2005, following up on the first roundtable held in Tokyo in January. Both roundtables were jointly hosted by the Japan Foundation, the National Institute for Research Advancement, and the European Policy Center, a Belgian think tank.

In contrast with the discussions on global governance and reform of the United Nations that took place at the first roundtable, the second roundtable focused on the declining populations in Europe and Japan and the Asian and European approaches to regional integration.

A report summarizing the content of the discussions and presentations along with policy recommendations was widely distributed to research institutions, policy makers, and other concerned organizations.
Japanese Studies and Intellectual Exchange: Other Major Programs

Japanese Studies and Intellectual Exchange Fellowships

Since its establishment, the Japan Foundation has invited more than 5,500 overseas researchers and scholars to visit Japan for study and for networking with experts in Japan under the Japanese Studies Fellowship Program.

In 2005, 137 researchers and doctoral candidates were selected. Fellows Seminars provided public forums for their work at the Japan Foundation Headquarters in Tokyo (5 seminars) and the Kyoto Office (18 seminars). To support intellectual exchange, the Japan Foundation invited 18 young overseas researchers to conduct surveys and research in Japan addressing universal issues in contemporary society and offered 23 fellowships to Japanese researchers to pursue their studies abroad. It also awarded six Fellowships for Leaders of the Next Generation in Asia to staff members from Japanese nonprofit organizations and graduate students to develop human resources for solving common issues across Asia, as well as five Obuchi Japan Foundation Fellowships to Okinawan researchers for joint research at the East-West Center in Hawaii, which aims to strengthen mutual understanding and relationships between the Asia-Pacific region and the United States.

Japanese Studies Surveys

The Japan Foundation conducts surveys of the overall status of overseas Japanese studies to discern current trends, formulate medium- to long-term policies, and develop appropriate support for promoting Japanese studies in each country and region.

In 2005, the survey was conducted in Korea, Southeast Asia, South Asia, the United States, and Europe, with analysis to be completed in 2006. The survey in the United States, which is home to the largest number of Japanese studies institutions and researchers in the world, represented the first full-scale survey in 10 years. Also in 2005, results were published from the Latin America (Hispanic region) survey and a new preliminary survey was conducted in the Middle East and African region.

Support for Japanese Studies Institutions

The Japan Foundation supported overseas institutions that play a central role in Japanese studies through 12 projects for strengthening hub institutions primarily consisting of funding for research and publications and book donations. The Foundation dispatched 28 visiting scholars to Japanese studies institutions including the University of Delhi and Moscow State University. To promote the employment of Japanese studies faculty, the Foundation supported the funding of 5 posts, and it also helped researchers to develop rich networks by offering 42 grants for international conferences and other research efforts. In addition, significant support was provided to the Beijing Center for Japanese Studies. A total of 25 Japanese professors were dispatched as guest lecturers and 31 graduate students and teachers were invited to Japan.

The Russian Association of Japanese Studies and the European Association for Japanese Studies received grants for publications and websites.
The Japan Foundation Center for Global Partnership

The Japan Foundation Center for Global Partnership was established in April 1991 with offices in Tokyo and New York to encourage closer dialogue and interchange between Japan and the United States and contribute to global welfare through cooperative efforts.

To carry out its mission, CGP operates grant programs in three areas—intellectual exchange, grassroots exchange, and education—as well as self-initiated projects and fellowships. It supports an array of institutions and individuals, including nonprofit organizations, universities, policymakers, scholars, and educators, based on a belief in the power of broad-based, multichannel approaches to effect positive change.

Soft Power and Public Diplomacy

In March 2006, CGP in New York cohosted a seminar titled “Soft Power and Public Diplomacy” to review the concept and application of soft power in Japan and the United States. The panelists were Joseph S. Nye, former dean for the John F. Kennedy School of Government at Harvard University, who created the concept of soft power; Watanabe Yasushi, associate professor at the Graduate School of Media and Governance of Keio University; Lawrence Repeta, professor at Omiya Law School; Kondo Seiichi, ambassador for international economic affairs for the Ministry of Foreign Affairs, Japan; and William G. Crowell, former officer of the US Department of State. The event engaged researchers, NGO personnel, and students majoring in Japanese studies in multifaceted discussions on the critical role of soft power.

The seminar was coorganized with the Harvard University Reischauer Institute of Japanese Studies and the Social Science Research Council in the United States.

The Rebuilding of Kobe and Its Lessons for New Orleans

Hurricane Katrina caused unprecedented damage in New Orleans and surrounding areas in August 2005, exposing pressing issues in disaster prevention and response and post-disaster reconstruction. In March 2006, CGP in New York invited researchers and reporters involved in reconstruction after the Great Hanshin Earthquake to give a seminar titled “The Rebuilding of Kobe and Its Lessons for New Orleans,” which drew about 110 people including city and federal workers as well as members of civic organizations.

The event was co-organized with the Consulate-General of Japan in New Orleans, the World Affairs Council of New Orleans, and the Port of New Orleans.
Abe Fellowship and NPO Fellowship

The Abe Fellowship supports intellectual exchange and cultivates an international network of researchers in the humanities and social sciences with the joint sponsorship of the Social Science Research Council in the United States. Sixteen fellows were named in 2005, bringing the total since the program’s launch in 1991 to more than 230.

The NPO Fellowship, meanwhile, provides training in the United States for leaders of Japanese nonprofit organizations. Three fellows were selected in 2005.

Japan Outreach Initiative

The Japan Outreach Initiative (JOI) dispatches volunteer coordinators to spend two years preparing and arranging presentations in U.S. regions that have little contact with Japan.

In 2005, new coordinators were sent to the Japan-America Society of Dallas/Fort Worth in Texas, the Multicultural Center of the South in Louisiana, and Coastal Carolina University in South Carolina to enhance grassroots exchange.

CGP publishes reports of its activities, which can be downloaded from its website at: http://www.cgp.org/.

Other Major Programs

Intellectual exchange conferences

The Foundation cosponsors intellectual events and provides financial support to cover the costs of holding intellectual exchange conferences as well as participant travel expenses. In 2005, the Japan Foundation cosponsored with the Korea Foundation and the All-China Youth Federation the Future Leaders Forum 2005: Korea-China-Japan and held an open seminar, “Negotiating Diversity: Challenge to Global Citizenship,” for 18 participants from 12 countries as part of the Asia Pacific Forum Okinawa. In addition, it offered financial support to 51 conferences in 11 countries, as well as providing financial assistance to cover the transportation expenses for experts attending international conferences.

Support for Asian studies centers

Under the Southeast Asian Studies Regional Exchange Program, the Japan Foundation supported the projects of eight universities in four Southeast Asian countries to promote Southeast Asian studies and build an academic network of institutions in the region.

The Foundation also held an Asia Emporium lecture series in Thailand on Southeast Asian studies for Southeast Asian students, attracting 15 participants from 6 countries.

An Introductory Bibliography for Japanese Studies

The Japan Foundation regularly publishes An Introductory Bibliography for Japanese Studies, a comprehensive English-language bibliography of overseas researchers on Japanese studies. In 2005, Volume 14, No. 2 (humanities) was published and sent to 850 institutions in 90 countries.
Through print and electronic publications, the Japan Foundation discloses a variety of information on projects organized and supported by the Foundation and international cultural exchange, for people interested in these fields.

The Japan Foundation website, available in Japanese and English, provides up-to-date information on major events organized by the Foundation. It also serves as a gateway to its network of cultural institutes and offices overseas, each of which has its own website to introduce local events and projects in the local language.

Moreover, the Foundation issues an e-mail newsletter in English to alert subscribers to upcoming events organized in their region.
The Japan Foundation Library, which is located in the Japan Foundation Headquarters in Akasaka, Tokyo, was renovated and reopened as the JFIC Library on April 1, 2006. Approximately 35,000 titles of books on Japan (written in English) and on international exchange and about 400 titles of periodicals are available.

Visitors can enjoy videos of performances conducted under Foundation programs and audio CDs of old Japanese narratives and major speeches by prominent figures. In addition to the core library services of loan and reference, the JFIC Library now exhibits project report files, posters of events hosted by the Foundation.

At the newly opened JFIC Shop, the Foundation’s magazine Wochi Kochi and catalogues of exhibitions are available for a fee.

Wochi Kochi—Japan’s only periodical dedicated to international exchange

The Japan Foundation publishes a bi-monthly magazine, Wochi Kochi. The name is an archaic Japanese term that means “here and there” or “present and future.”

Each issue carries feature articles and interviews that focus on a specific topic, as well as reporting on related Foundation activities. The featured topics in 2005 were: Facing America; The Unknown Arab World; Shall We Talk in Japanese?; Art Changes the World; Exchange Between Japan and Europe: From the Ground Up; and People Who Have Walked the Road of Exchange Between Japan and China. The magazine is published by Yamakawa Publishing Company.

The Japan Foundation Volunteer Program

The Japan Foundation conducts a volunteer program with the purpose of mediating between rising international interest in Japanese culture and the increasing number of Japanese who wish to contribute to intercultural exchange.

Under the program, volunteers are sent abroad as overseas assistant Japanese-language teachers, planning and operation assistants for cultural exchange projects by overseas associations, and senior visiting professorships in Japanese studies for teaching positions at overseas universities and graduate schools. Volunteers in 2005 numbered 21.
Opened as a branch office at the time of the Foundation’s establishment, the Kyoto Office supports recipients of long-term Japanese studies fellowships living in the Kansai region and sponsors a variety of independent projects while networking with related organizations.

Networking between international exchange organizations is advancing with the rising interest in this area of the Kansai region. The Kyoto Office is also deepening partnerships with external organizations and provides information on international exchange at its library, which houses 6,659 books and audiovisual materials.

In 2005, 18 Fellows Seminars were held in the Kansai region in addition to “An Evening of Noh and Kyogen” (held at the Kyoto Kanze Kaikan), a regular event since 1973. The office also worked with the Japanese Culinary Academy to cosponsor an open workshop by young French chefs who studied Japanese cooking in Japan.

The Japan Foundation Prizes for Global Citizenship

The Japan Foundation awards the Japan Foundation Prizes for Global Citizenship to organizations that conduct international cultural exchange programs in their local communities. Originally established in 1985 as the Japan Foundation Prizes for Community-Based Cultural Exchange, the award was renamed in 2005, its twentieth anniversary.

The recipients in 2005 were Chernobyl Kakehashi, a nonprofit corporation in Hokkaido that operates a home-stay program in Japan for children victimized by the Chernobyl nuclear power plant accident; Asaga Masaji of Ibaraki Prefecture, for his artist-in-residence program that invites stone sculptors from such countries as Bulgaria and Zimbabwe; and Genki Seinen Kai of Kochi Prefecture, a volunteer musical performance group organized by participants of the Japan Exchange and Teaching Program that also supports Kochi residents who wish to study foreign languages overseas.

EU-Japan Creative City Exchange 2005

As part of the 2005 EU-Japan Year of People-to-People Exchanges, cultural exchange institutions from Japan and six European nations—Britain, Finland, France, Germany, Ireland, and Italy—collaborated in a series of projects ranging from surveys to exchange activities and symposiums. Seven local governments including Yokohama and nine art-related nonprofit organizations also participated.

The “creative city” concept focuses on the role of creativity, arts, and culture in revitalizing cities that have been in decline due to changing economic or social structures and particularly spotlights the contributions of local citizens whose creative talents and abilities generate new momentum across an entire community.

Financial Affairs and Organization
## Financial Statements

### Budgets and Results

April 1, 2005 to March 31, 2006

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government subsidies</td>
<td>13,729</td>
<td>13,729</td>
</tr>
<tr>
<td>Investment revenue</td>
<td>1,886</td>
<td>1,792</td>
</tr>
<tr>
<td>Donation revenue</td>
<td>655</td>
<td>1,016</td>
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<tr>
<td>Other revenue</td>
<td>129</td>
<td>203</td>
</tr>
<tr>
<td>Revenue from disposition of inheritance reserve</td>
<td>396</td>
<td>371</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16,797</td>
<td>17,113</td>
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<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditures</strong></td>
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<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>12,680</td>
<td>12,991</td>
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<tr>
<td>Arts and cultural programs</td>
<td>3,542</td>
<td>3,385</td>
</tr>
<tr>
<td>Japanese-language programs</td>
<td>3,602</td>
<td>3,562</td>
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<tr>
<td>Japanese studies and intellectual exchange programs</td>
<td>2,479</td>
<td>2,472</td>
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<tr>
<td>Survey, research, and information-service programs</td>
<td>440</td>
<td>531</td>
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<tr>
<td>Other programs</td>
<td>2,615</td>
<td>3,039</td>
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<tr>
<td>General and administrative expenses</td>
<td>4,438</td>
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<tr>
<td>Salaries and wages</td>
<td>2,629</td>
<td>2,660</td>
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<tr>
<td>Supplies</td>
<td>1,809</td>
<td>1,819</td>
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<tr>
<td><strong>Total</strong></td>
<td>17,119</td>
<td>17,471</td>
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**Notes:**
1. Expenditures include 341 million yen brought forward from the previous year.
2. The increase in revenues mainly consists of increases in specified donation revenues and revenues earned from offering the Japanese-Language Proficiency Test.
3. Totals may not correspond due to rounding of fractional amounts of less than 1 million yen.
### Balance Sheet  As of March 31, 2006

#### Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (in ¥)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
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<tr>
<td>Cash and deposits</td>
<td>9,233,125,948</td>
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<td>Marketable securities</td>
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<td>Prepaid expenses</td>
<td>33,059,536</td>
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<td>Accrued income</td>
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<td>Other current assets</td>
<td>32,289,067</td>
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<td><strong>Total current assets</strong></td>
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<td><strong>Fixed assets</strong></td>
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<td>Tangible fixed assets</td>
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<td>Buildings</td>
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<tr>
<td>Accumulated depreciation</td>
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<td>Structures</td>
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<td>Accumulated depreciation</td>
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<td>Machinery and equipment</td>
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<td>Accumulated depreciation</td>
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<td>Vehicles and transport equipment</td>
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<td>Accumulated depreciation</td>
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<td>Tools, equipment, and fixtures</td>
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<td>Accumulated depreciation</td>
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<td><strong>Total tangible fixed assets</strong></td>
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<td>Intangible fixed assets</td>
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<td>Land lease rights</td>
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<td>Software</td>
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<td>Telephone subscription rights</td>
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<td><strong>Total intangible fixed assets</strong></td>
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<td><strong>Investments and other assets</strong></td>
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<td>Investment securities</td>
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<td>Deposits and bonds</td>
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<td><strong>Total investments and other assets</strong></td>
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<td><strong>Total fixed assets</strong></td>
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<td><strong>Total assets</strong></td>
<td>115,647,808,085</td>
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#### Liabilities

<table>
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<tr>
<th>Category</th>
<th>Amount (in ¥)</th>
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<tr>
<td><strong>Current liabilities</strong></td>
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<tr>
<td>Government operational expense subsidies</td>
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<td>Donations entrusted</td>
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<td>Amount in arrears</td>
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<td>Accrued expenses</td>
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<td>Consumption tax payable</td>
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<td>Advance receipt</td>
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<td>Deposits payable</td>
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<td>Lease liabilities</td>
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<td>Allowances</td>
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<td><strong>Total current liabilities</strong></td>
<td>1,180,844,074</td>
</tr>
<tr>
<td><strong>Fixed liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Asset counterpart liabilities</td>
<td>556,085,383</td>
</tr>
<tr>
<td>Government operational expense subsidies related to asset counterpart</td>
<td>505,529,423</td>
</tr>
<tr>
<td>Government operational expense subsidies related to construction in progress counterpart</td>
<td>50,555,960</td>
</tr>
<tr>
<td>Long-term lease liabilities</td>
<td>2,499,550</td>
</tr>
<tr>
<td><strong>Total fixed liabilities</strong></td>
<td>558,584,933</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,739,429,007</td>
</tr>
</tbody>
</table>

#### Shareholders’ equity

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (in ¥)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital stock</strong></td>
<td></td>
</tr>
<tr>
<td>Government investment</td>
<td>112,970,859,465</td>
</tr>
<tr>
<td><strong>Total capital stock</strong></td>
<td>112,970,859,465</td>
</tr>
<tr>
<td><strong>Capital surplus</strong></td>
<td></td>
</tr>
<tr>
<td>Capital stock</td>
<td>(8,437,489)</td>
</tr>
<tr>
<td>Accumulated depreciation outside profit and loss</td>
<td>(2,005,259,938)</td>
</tr>
<tr>
<td>Endowments from private sector</td>
<td>899,251,787</td>
</tr>
<tr>
<td><strong>Total capital surplus</strong></td>
<td>(1,114,445,630)</td>
</tr>
<tr>
<td><strong>Retained earnings</strong></td>
<td></td>
</tr>
<tr>
<td>Inheritance reserve</td>
<td>1,463,118,046</td>
</tr>
<tr>
<td>Reserve</td>
<td>381,898,735</td>
</tr>
<tr>
<td>Unappropriated profit for the term (Of which: Gross profit for the term)</td>
<td>206,948,462</td>
</tr>
<tr>
<td><strong>Total retained earnings</strong></td>
<td>2,051,965,243</td>
</tr>
<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>113,908,379,078</td>
</tr>
<tr>
<td><strong>Total liabilities and shareholders’ equity</strong></td>
<td>115,647,808,085</td>
</tr>
</tbody>
</table>
### Financial Statements

#### Profit and Loss Statement
April 1, 2005 to March 31, 2006

<table>
<thead>
<tr>
<th>Ordinary expenses</th>
<th>Amount (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts and cultural programs</td>
<td>3,752,016,138</td>
</tr>
<tr>
<td>Japanese-language programs</td>
<td>3,895,315,131</td>
</tr>
<tr>
<td>Japanese studies and intellectual exchange programs</td>
<td>2,723,681,257</td>
</tr>
<tr>
<td>Survey, research, and information-service programs</td>
<td>650,233,213</td>
</tr>
<tr>
<td><strong>Other programs</strong></td>
<td></td>
</tr>
<tr>
<td>Overseas programs</td>
<td>2,743,195,320</td>
</tr>
<tr>
<td>Cooperating in cultural exchange facilities program</td>
<td>973,034,814</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>2,373,158,691</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>519,248</td>
</tr>
<tr>
<td><strong>Total ordinary expenses</strong></td>
<td>17,111,153,812</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ordinary income</th>
<th>Amount (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from government operational expense subsidies</td>
<td>13,667,937,794</td>
</tr>
<tr>
<td>Income from investments</td>
<td>1,817,148,205</td>
</tr>
<tr>
<td>Income from donations</td>
<td>47,415,249</td>
</tr>
<tr>
<td>Income from specified donations</td>
<td>964,936,216</td>
</tr>
<tr>
<td>Financial income</td>
<td></td>
</tr>
<tr>
<td>Refund of asset counterpart</td>
<td>59,599,534</td>
</tr>
<tr>
<td>Refund of government operational expense subsidies related to asset counterpart</td>
<td>59,599,534</td>
</tr>
<tr>
<td>Interest received</td>
<td>340,764</td>
</tr>
<tr>
<td>Sundry income</td>
<td>389,319,135</td>
</tr>
<tr>
<td><strong>Total ordinary income</strong></td>
<td>16,946,696,897</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ordinary loss</th>
<th>Amount (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net loss for the term</strong></td>
<td>164,456,915</td>
</tr>
<tr>
<td>Income from disposition of inheritance reserve</td>
<td>371,405,377</td>
</tr>
<tr>
<td><strong>Net income for the term</strong></td>
<td>206,948,462</td>
</tr>
</tbody>
</table>

#### Statement of Profit Distribution

<table>
<thead>
<tr>
<th>Unappropriated retained earnings at the end of the term</th>
<th>Amount (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>206,948,462</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Appropriation of retained earnings</th>
<th>Amount (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve</td>
<td>206,948,462</td>
</tr>
</tbody>
</table>
### Cash Flow Statement  
April 1, 2005 to March 31, 2006

<table>
<thead>
<tr>
<th>Cash flow from operating activities</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenses</td>
<td>12,692,907,172</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>2,662,386,004</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>1,844,324,299</td>
</tr>
<tr>
<td>Revenue from government operational expense subsidies</td>
<td>13,729,529,000</td>
</tr>
<tr>
<td>Investment revenue</td>
<td>1,792,477,503</td>
</tr>
<tr>
<td>Revenue from donations</td>
<td>1,016,556,047</td>
</tr>
<tr>
<td>Other miscellaneous revenue</td>
<td>279,717,683</td>
</tr>
<tr>
<td>Subtotal</td>
<td>(381,337,242)</td>
</tr>
<tr>
<td>Interest received</td>
<td>340,744</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(519,248)</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td><strong>(381,515,746)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flow from investment activities</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses for acquisition of investment securities</td>
<td>(9,130,131,288)</td>
</tr>
<tr>
<td>Revenue from redemption of investment securities</td>
<td>9,920,216,011</td>
</tr>
<tr>
<td>Expenses for acquisition of tangible fixed assets</td>
<td>(233,451,095)</td>
</tr>
<tr>
<td>Revenue from selling of tangible fixed assets</td>
<td>8,885,063</td>
</tr>
<tr>
<td>Expenses for acquisition of deposits and bonds</td>
<td>(70,197,153)</td>
</tr>
<tr>
<td><strong>Cash flow from investment activities</strong></td>
<td><strong>495,321,538</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flow from financial activities</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses for repayment of lease liabilities</td>
<td>(28,288,792)</td>
</tr>
<tr>
<td>Revenue from government investment</td>
<td>2,000,000,000</td>
</tr>
<tr>
<td>Revenue from endowments from private sector</td>
<td>3,000,000</td>
</tr>
<tr>
<td><strong>Cash flow from financial activities</strong></td>
<td><strong>1,974,711,208</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Difference in conversion related to funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in funds</td>
<td>2,016,541</td>
</tr>
<tr>
<td>Balance at the beginning of the term</td>
<td>2,090,533,541</td>
</tr>
<tr>
<td><strong>Balance at the end of the term</strong></td>
<td><strong>9,233,125,948</strong></td>
</tr>
</tbody>
</table>

### Statement of Administrative Service Execution Costs  
April 1, 2005 to March 31, 2006

<table>
<thead>
<tr>
<th>Operating expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program expenses</td>
<td>14,737,475,873</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>2,373,158,691</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>519,248</td>
</tr>
<tr>
<td>Miscellaneous loss</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>13,919,994,243</strong></td>
</tr>
<tr>
<td>Amount equivalent to depreciation, etc.</td>
<td>Amount</td>
</tr>
<tr>
<td>outside profit and loss</td>
<td>Amount</td>
</tr>
<tr>
<td>Income from investments</td>
<td>1,817,148,205</td>
</tr>
<tr>
<td>Income from donations</td>
<td>1,012,351,465</td>
</tr>
<tr>
<td>Financial income</td>
<td>340,764</td>
</tr>
<tr>
<td>Miscellaneous profits</td>
<td>(389,319,135)</td>
</tr>
<tr>
<td><strong>Total administrative service execution costs</strong></td>
<td><strong>16,765,981,163</strong></td>
</tr>
</tbody>
</table>
1. The standard for booking income from government operational expense subsidies
   The percentage-of-completion method is used.

2. Accounting method for depreciation
   (1) Tangible fixed assets
       The straight-line method is used.
       The service lives of main assets are as follows:
       Buildings: 2 to 43 years
       Structures: 2 to 15 years
       Machinery and equipment: 2 to 13 years
       Vehicles and transport equipment: 2 to 6 years
       Tools, equipment and fixtures: 2 to 20 years
       Depreciation of specified depreciable assets is expressed as the cumulative total of depreciation outside profit and loss after deduction from capital surplus (in conformance with Article 86 of the Independent Administrative Corporation Accounting Standards).
   (2) Intangible fixed assets
       The straight-line method is used. For software used within the Foundation, depreciation is made on the basis of the length of time that such software can be used within the Foundation (five years).

3. Standard for booking the allowance for estimated amounts of employee retirement benefits
   Regarding the retirement lump-sum grants, no allowance is booked for retirement benefits because they are funded by government operational expense subsidies.
   Regarding the pensions paid from the employees’ pension fund, no allowance is booked for retirement benefits because premiums to be paid to the fund and the reserve shortage of the fund are covered by government operational expense subsidies.
   The estimate of the increase in retirement benefits outside the allowance for retirement benefits in the Statement of Administrative Service Execution Costs is booked as the increase for the current term in the allowance calculated in accordance with Article 38 of the Independent Administrative Corporation Accounting Standards.

4. The standard for booking an allowance for bonus payments
   To provide for the payment of bonuses to staff for which no budget appropriation is made through the instrument of the government operational expense subsidy, an estimated sum is booked on the basis of the Foundation’s rules for bonus payments.

5. Evaluation standard and appraisal method for securities
   The depreciable cost method is used because the Japan Foundation makes it a goal to hold securities until maturity.

6. The standard for converting foreign currency assets and liabilities into Japanese yen
   Foreign currency claims and monetary liabilities are converted into yen at the spot exchange rate as of the term end, and the balance is treated as a profit or loss.

7. The method of calculating the opportunity cost in the Statement of Administrative Service Execution Costs
   (1) The method of calculating the opportunity cost of a margin transaction, based on free fees, from national or local public bodies:
       The opportunity cost of such a transaction is calculated by referring to the land-use fee specified in prefectural regulations, etc. and the rent in the neighboring area.
   (2) The interest rate used in calculating the opportunity cost of a government investment:
       The opportunity cost of a government investment is calculated at an interest rate of 1.770% a year by referring to the yield of interest-bearing 10-year government bonds as of the end of March 2006.

8. The accounting method for treating lease transactions
   Financial lease transactions of 3 million yen or more in total lease value are treated by the same method as ordinary sales transactions.
   Financial lease transactions of less than 3 million yen in total lease value are treated by the same method as ordinary lease transactions.

9. Accounting treatment of the consumption tax and other taxes
   Consumption and other taxes are treated by the tax-included method.
Items related to Statement of Administrative Service Execution Costs
Estimated increase in non-provided allowance for retirement benefits for personnel dispatched from national or local public bodies: 7,797,300 yen

Cash flow calculation
1. Relationship between cash and cash equivalents and the amounts entered in balance sheet
Balance of cash and deposits in balance sheet: 9,233,125,948 yen
Balance at the end of term of cash and cash equivalents: 9,233,125,948 yen

2. Important non-monetary transactions: none
   Important debt burdens borne: none
   Important subsequent events: none

Information on particular items indicated
1. The “inheritance reserve” is a surplus inherited by the Japan Foundation, an independent administrative institution, from the Japan Foundation, a special public corporation, as "the monetary amount to be allocated to the operating financial resource in the period for the Foundation’s initial medium-term goal” stipulated in Article 3, Paragraph 6, of the supplementary regulations of the Japan Foundation Law.

2. The “inheritance reserve” is to be withdrawn to meet a shortage if program expenses in the settled accounts, which depend on investment revenue, donation revenue (excluding income from designated donations), and other revenue as revenue sources, exceed these revenues.

Explanatory notes
Balance Sheet
The estimated allowance for retirement benefits to be appropriated from government operational expense subsidies: (4,291,254,615 yen)

Retirement benefit liabilities and their breakdown (fiscal 2005)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount (in yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Retirement benefit liabilities</td>
<td>6,098,033,099</td>
</tr>
<tr>
<td>(2) Pension assets</td>
<td>1,806,778,484</td>
</tr>
<tr>
<td>(3) Accrued retirement benefit liabilities</td>
<td>4,291,254,615</td>
</tr>
<tr>
<td>(4) Untreated amount of the difference</td>
<td>0</td>
</tr>
<tr>
<td>(5) Difference in unrecognized numerical</td>
<td>0</td>
</tr>
<tr>
<td>(6) Unrecognized past service cost</td>
<td>0</td>
</tr>
<tr>
<td>(7) Net amount in balance sheet (3) + (4) + (5) + (6)</td>
<td>4,291,254,615</td>
</tr>
<tr>
<td>(8) Prepaid pension expenses</td>
<td>0</td>
</tr>
<tr>
<td>(9) Allowance for retirement benefits (7) – (8)</td>
<td>4,291,254,615</td>
</tr>
</tbody>
</table>

Breakdown of retirement benefit expenses (fiscal 2005)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount (in yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Service cost</td>
<td>298,060,400</td>
</tr>
<tr>
<td>(2) Interest cost</td>
<td>68,600,800</td>
</tr>
<tr>
<td>(3) Expected income from investments</td>
<td>0</td>
</tr>
<tr>
<td>(4) Difference in numerical calculations</td>
<td>220,797,609</td>
</tr>
<tr>
<td>disposed of as cost</td>
<td></td>
</tr>
<tr>
<td>(5) Other costs (Premiums paid by</td>
<td>59,039,412</td>
</tr>
<tr>
<td>subscribers to employees’ pension fund)</td>
<td></td>
</tr>
</tbody>
</table>

Basis of calculating retirement benefit liabilities, etc. (fiscal 2005)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount (in yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Discount rate for retirement pensions</td>
<td>2.0%</td>
</tr>
<tr>
<td>(2) Method of periodic allocation of</td>
<td>Fixed amount</td>
</tr>
<tr>
<td>estimated retirement benefits</td>
<td></td>
</tr>
<tr>
<td>(3) Number of years for disposition of</td>
<td>1</td>
</tr>
<tr>
<td>past service liabilities</td>
<td></td>
</tr>
<tr>
<td>(4) Number of years for disposition of</td>
<td>1</td>
</tr>
<tr>
<td>difference in numerical calculations</td>
<td></td>
</tr>
<tr>
<td>(5) Others (Number of years for disposition</td>
<td>1</td>
</tr>
<tr>
<td>at the time of changing the accounting</td>
<td></td>
</tr>
<tr>
<td>standard, actual income from investments,</td>
<td></td>
</tr>
<tr>
<td>etc.)</td>
<td></td>
</tr>
</tbody>
</table>
The Japan Foundation solicits support for the funding of its programs from across the private sector—including businesses, organizations and individuals—as well as the government. This private sector support takes a variety of forms, such as endowments and donations of cash or goods.

Private sector funding of the Foundation is divided into endowments and donations. Endowments, along with government investment, provide the principal to generate funding for program expenses. Donations include general donations, which are allocated to expenses for cultural exchange programs implemented by the Foundation and designate donations, which are accepted with the understanding that they will be used to subsidize specified cultural exchange programs implemented by public benefit organizations at home and abroad. Donations accepted since the establishment of the Foundation to the end of 2005 amounted to 2,277.87 million yen in general donations and 62,568.16 million yen in designated donations.

1. General Donations

These contributions are allocated to cover the expenses of cultural exchange programs implemented by the Foundation. There are three categories: the General Donation System, in which both the donated time and amount are at the donor’s discretion; Corporate Membership System (Support Committee), through which entities such as private enterprises contribute a fixed amount every year; and the JF Supporters Club, which is focused on deepening interest in, and understanding of, the Foundation’s programs. During fiscal 2005, the Foundation received 1,163 general donations amounting to 54.62 million yen.

1. (1) General Donation System

Both the time and amount of the donation are at the donor’s discretion.

According to the contributor’s request, contributions can be allocated to program expenses incurred during the fiscal year of the donation or permanently incorporated into the fund (principal), with interest allocated to cover program expenses every year.

Concerning the latter, contributors (both corporations and individuals) may support special projects. If the level of funding exceeds a given amount, and if they so desire, contributors may also give the fund a name of their choosing and have it allocated to a special project. The following are examples of these types of donations:

- Uchida Fellowship (Donated by the late Mr. Uchida Genko)
  Young musicians are invited to Japan from the United States, Europe, and other regions and provided with opportunities to work with renowned Japanese musicians and those active in the field of music, including participation in joint performances or creating joint works.
  In 2005, two fellows were invited, one from the United States and one from France.
  (Performing Arts Division, Arts Department)

- Japanese Studies Fellowship Program offered by Takasago Thermal Engineering (Donated by the Takasago Thermal Engineering Co. Ltd.)
  In order to promote Japanese studies in Southeast Asia, this scholarship provides funds to young Japanese studies researchers in Southeast Asia for the purpose of visiting Japan and engaging in research efforts.
  In 2005, the scholarship was awarded for research conducted by a Malaysian researcher under the theme of “Malaysia-Japan Bilateral Relations and East Asian Regionalism.”
  (Asia and Oceania Division, Japanese Studies and Intellectual Exchange Department)

- The Kaiko Takeshi Memorial Asian Writers Lecture Series (Donated by the late Mrs. Kaiko Hatsuko and the late Ms. Kaiko Michiko (family member of the writer Takeshi Kaiko)
  In order to introduce Asian authors and works that are little known in Japan to the general public while promoting exchange in the field of literature, this program invites Asian authors and those involved in literature to come to Japan for about two weeks and organizes lectures and opportunities to exchange opinions in many parts of the nation.
  In fiscal 2005, Imadadul Haq Milon was invited from Bangladesh and he lectured about the pride and grief of the people of Bangladesh in Hiroshima, Tokyo, Osaka, and Sendai.
  (Community Leaders and Youth Exchange Division, Cultural Affairs Department)

- Ken Watanabe Memorial Fund: contribution of books (Donated by Mr. Watanabe Yukinobu, father of Mr. Watanabe Ken, a Ministry of Foreign Affairs official who died in a traffic accident while participating in training in the United States)
  Donation of books related to Japanese studies are made to the Tianjin Academy of Social Sciences and Jilin Union of Social Sciences Circles (China).
  In 2005, there were 223 books donated to the Tianjin Academy of Social Sciences and 135 books to the Jilin Union of Social Sciences Circles.
  (Asia and Oceania Division, Japanese Studies and Intellectual Exchange Department)

General Donation Contributors (alphabetical order)
1926 members of JR central Monitor Club and two individual persons

(2) Corporate Membership System (Support Committee)

Corporations and organizations are requested to contribute a fixed amount as membership fees every year. Membership in the Support Committee is divided into regular membership and special membership. Regular members are expected to donate at least 100,000 yen while special members are expected to contribute at least 500,000 yen.

Donations are allotted to the cultural exchange programs of the year in which the donations are made. Members receive special privileges, including the Foundation’s publications, invitations to events such as lectures sponsored or co-sponsored by the Foundation, and access to the Foundation’s library.

Patron members (alphabetical order, as of March 31, 2006)
(Special members)
in accordance with Article 77 of the

- The Nagashima Ohno and Tsunematsu Program for Japanese Law and
- Nagashima Ohno and Tsunematsu Scholarship Fund, Columbia Law
- Dartmouth College Japan Studies Fund (U.S.)
- Japan in Evolving Northeast Asia (U.S.)
- The Nagashima Ohno and Tsunematsu Program for Japanese Law and
- Japanese Legal Studies Program of University of Michigan Law School, (U.S.)
- The University of Alberta Prince Takamado Japan Canada Memorial Fund
- Japan-United States Arts Program, ACC (U.S.)
- Project of Executive Committee for Japan-Australia Year of Exchange (Australia)
- Radio Programs Introducing J-Pop Music to Training and Exchange Center Project for Chinese Young People (China)
- KEEP International (Japan)
- Restoration Project for the Old Residence of Yanagi Soetsu (Japan Folk Crafts Museum) (Japan)
- National Museum of Ethnology Reconstruction of a Japanese House in France, Musée de l’Homme (France)
- Modern Tea House Project in Frankfurt (Germany)

Amount equal to the donation minus 5,000 yen (10,000 yen for donations in 2005 and before), up to 30% of gross income, is tax deductible. Donations from inherited assets are also eligible for tax privileges.

Examples of projects during fiscal 2005
- The Project under the Auspices of the Executive Committee of the Japan-Korea Friendship Year 2005 (Presented by the Executive Committee of the Japan-Korea Friendship Year 2005)
- Amount of designated donations received (amount paid as designated subsidy): 208.2 million yen
- Executive Committee of the Japan-Korea Friendship Year 2005 that commemorated the Fortieth Anniversary of the Normalization of Diplomatic Ties between Japan and the Republic of Korea.
- The Japan Foundation organized five projects: Joint symposium and cultural exchange exhibition to promote “friendly encounters between Japan and Korea,” Exchange festival for “the experience of Japan-Korea,” and “friendship concert and youth forum for dialogue for the future of Japan-Korea friendship.” These projects attracted the participation of approximately 80,000 people in total and were publicized and received positive reviews in the mass media of the two countries.
- Fujiyama – The Japanese Beauty on Woodblock Prints by Hokusai and Hiroshige, and on Photos (Presented by the Japan-Hungary Friendship Association)
- Amount of designated donations received (amount paid as designated subsidy): 9 million yen
- The exhibition was held at the Hungarian National Gallery from October 13 to November 13, 2005 and displayed the adzh-e, woodblock printings by Katsushika Hokusai and Ando Hiroshige and 30 photographs with the theme of Mt. Fuji by Tomitsuka Haruo. The exhibition was a success and attracted a large number of visitors.

3. Tax Privileges

The Foundation is designated as “Designated Public Benefit Organization,” or Tokutei Kab-eki Zeshin Houjin in accordance with Article 77 of the Corporate Tax Enforcement Order and Article 217 of the Income Tax Enforcement Order. Therefore, both regular donations and designated donations to the Foundation are subject to the following tax privileges.

(1) Corporations

Deductible expenses may be declared in addition to the standard deduction for donations. Upper limit of financial loss for donation is calculated using the following formula:

Upper limit of financial loss for donation = \( (\text{amount of capital} \times \text{period of months} / 12) \times 0.0025 + (\text{amount of income} \times 0.025) \times 0.5 \)

(2) Individuals

Amount equal to the donation minus 5,000 yen (10,000 yen for donations in 2005 and before), up to 30% of gross income, is tax deductible. Donations from inherited assets are also eligible for tax privileges.
Committees

The Advisory Committee for Evaluation of the Japan Foundation
This Committee evaluates Japan Foundation programs and related operations in response to requests by the President of the Japan Foundation, and provides advice on the improvement of operations and other necessary measures. Its members include experts and academics who have in-depth knowledge of international exchange and Japan Foundation activities.

### Members (in alphabetical order)
- Asami Tamotsu: Assistant Managing Editor of the Yomiuri Shimbun
- Hanawa Shoji: Adviser to Tokyo Electric Power Co.
- Iwao Sumiko: Professor at Musashi Institute of Technology
- Katayama Masao: Managing Director of Saison Foundation
- Mikuriya Takasi: Professor at Research Center for Advanced Science and Technology, University of Tokyo
- Sakuma Katsuhiko: Professor at University of the Sacred Heart, Tokyo
- Soda Shuji: Professor at Atomi University
- Takashina Shuji: Director of Ohara Museum of Art, Chairman of the Committee
- William W. Kelly: Professor at Yale University
- Ellis S. Krauss: Professor at University of California, San Diego
- Leonard Lynn: Professor at Case Western Reserve University
- Susan J. Napier: Professor at University of Texas, Austin
- Laurel R. Rodd: Professor at University of Colorado, Boulder
- Yoshihiko Yokochi Samuel: Professor at Wesleyan University
- Leonard Schoppa: Associate Professor at University of Virginia
- Veronica Taylor: Professor at University of Washington
- Kristina K. Troost: Chief of International and Regional Studies, Perkins Library, Duke University

The American Advisory Committee for Japanese Studies
This committee has been established in order for the Japan Foundation to obtain opinions and advice about its programs to support Japanese studies in the United States. This is in view of the fact that the cultural exchanges between the two countries represent a major part of the Foundation’s activities. The committee consists of 15 noted scholars of the Japanese studies. The committee screens the applications for fellowship programs and institutional assistance programs for the United States and makes recommendations.

### Members (in alphabetical order)
- Mary Elizabeth Berry: Professor at University of California, Berkeley
- Kent Calder: Professor at Johns Hopkins University
- James C. Dobbins: Professor at Oberlin University
- Wayne Farris: Professor at University of Hawaii, Manoa
- Laura Hein: Associate Professor at Northwestern University
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The Advisory Committee for the Center for Global Partnership
This Advisory Committee consists of intellectuals from the United States and Japan. Such topics as basic policies, top priority areas, and relative priority areas are discussed at the semiannual meetings of this council (until July, 2005).

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- Chino Keiko: Editorial Page Editor, the Sankei Shimbun
- Thomas S. Foley: Former U.S. Ambassador to Japan
- William E. Franklin: President of Franklin International
- Barry D. Gaberman: Senior Vice President of the Ford Foundation
- Ruby P. Hearn: Senior Vice President Emeritus of the Robert Wood Johnson Foundation
- Iokibe Makoto: Professor at Kobe University
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