

The Effectiveness of Japan's Foreign Aid in the Jakarta Mass Rapid Transit Project: A Perspective from the Paris Declaration

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KEYWORDS	ABSTRACT
Foreign Aid; JICA; Jakarta MRT; Paris Declaration on Aid Effectiveness	The effectiveness of Japan International Cooperation Agency (JICA) foreign aid in the Jakarta Mass Rapid Transit (MRT) project plays a crucial role in infrastructure development in developing countries, particularly those funded by external sources such as Japan. By applying the concept of Paris Declaration on Aid Effectiveness and qualitative method with descriptive-analytical approach, this research focuses on the fulfillment of five principles of aid effectiveness namely ownership, alignment, harmonization, managing for results, and mutual accountability by JICA as the donor and the Government of Indonesia as the recipient. The result shows that although the foreign aid from JICA has a positive impact on infrastructure development in Indonesia, the Special Terms for Economic Partnership (STEP) financing scheme used creates limitations in the selection of main contractors and hampers the tendering process. Attachment to one donor limits Indonesia's flexibility to determine its development strategy. Continuous efforts and evaluation in approving aid schemes periodically are needed to ensure the effectiveness of foreign aid in funding infrastructure projects in Indonesia.

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Introduction

Cooperation between countries is not only limited to political or diplomatic aspects but also includes economic and development dimensions. For developing countries, international cooperation is not an option, but a necessity due to limited resources and the need for technology transfer. To finance development projects, developing countries often rely on international cooperation in the form of foreign aid such as grants, soft loans, or technical cooperation channeled through bilateral or multilateral donor agencies. One of the most used foreign aid schemes is Official Development Assistance (ODA), which is provided by developed countries to developing countries under the pretext of supporting economic and social development. ODA includes various types of assistance, including Grant/Loan Aid, Project Aid, Technical Assistance, and Humanitarian Aid (Poats, 1985).

In practice, foreign aid is not only used to support the progress of developing countries but is also used with various motives. The development of foreign aid to date is inseparable from the aim of encouraging the achievement of the national interests of the aid-giving country (Lowy Institute, 2014). Developed countries will not provide aid without a specific interest but rather use the aid as a political tool to strengthen their influence in the recipient country. Foreign aid is often accompanied by binding conditions, ranging from the use of technology and labor from the donor country to economic policies. So, this phenomenon makes foreign aid an instrument of structural dependency that makes the recipient country increasingly tied to the aid-giving country.

As a developing country, Indonesia faces various development challenges that require it to receive foreign aid. Budget constraints, the high demand for infrastructure development, and rapid urbanization have forced the government to seek additional sources of funding for the development of strategic projects. One of the sectors that needs the most attention is urban transportation, especially in Jakarta. As the center of the economy, Jakarta faces a very high traffic congestion problem. According to the TomTom Traffic Index, Jakarta is among the most congested cities in the world, where peak hour trips can be delayed by more than 50% (Tomtom Traffic Index, 2024). Also, unplanned urban expansion further contributes to the bad situation in Jakarta and makes some planned projects difficult to realize (Rethinking The Future, 2021). The ever-increasing congestion has led to a decrease in the productivity of the economy, increased fuel consumption, and high carbon emissions that degrade the environment in Jakarta.

Traffic congestion is no longer a new problem faced by Jakarta. For a long time, Jakarta has had to deal with the problem of traffic congestion, culminating in 2018 when Jakarta ranked as the 8th most congested city in the world (Tomtom Traffic Index, 2024). The government has tried to solve this problem with various policies ranging from the 3-in-1 policy, the implementation of the odd-even system, to adding types of public transportation in Jakarta. Most recently, the Indonesian government initiated the Jakarta Mass Rapid Transit (MRT) project as an efficient and modern mass transportation solution. The MRT project is considered a necessity for Jakarta so that traffic congestion does not get worse (Hakim, 2019). However, the project was costly and domestic funding was insufficient. In search of financing sources, Indonesia engaged Japan through the Japan International Cooperation Agency (JICA) as the main partner in funding the Jakarta MRT project through an ODA loan scheme.

JICA was selected as the main provider of assistance in the Jakarta MRT project due to various strategic considerations. The assistance was provided using the Special Terms for Economic Partnership (STEP) scheme that requires Indonesia to use up to 30% Japanese content, which may limit Indonesia's flexibility in project implementation as the scheme is binding (Japan International Cooperation Agency, 2018). As a form of binding, the procurement of the main contractor, consortium, and most of the materials and technology used in the construction of the Jakarta MRT must come from Japan (Tuhayat, 2025). This provision not only narrows the space for Indonesia to choose technology providers that are more suited to local needs and more cost-competitive but also signals that Japan's economic interests are maintained in this assistance.

In contrast, MRT project funding schemes in other countries show a more flexible and competitive approach. For example, the Manila MRT, which also involves JICA, adopts the Build-Lease-Transfer (BLT) model with additional support from an international consortium. This approach gives the Philippines the flexibility to utilize global resources while maintaining control over its infrastructure management (Department of Finance Republic of The Philippines, 2023). Meanwhile, the Bangkok MRT received funding from multilateral financial institutions, namely the Asian Development Bank (ADB) and the Japan Bank for International Cooperation (JBIC), which allowed Thailand to benefit competitively from a range of contractors and technologies best suited to its needs (World Bank, 2004). Instead of providing flexibility in choosing the most suitable technology and contractor, the STEP financing scheme limits Indonesia's opportunities to develop domestic industry and reduce dependence on foreigners.

In the Jakarta MRT project, the use of Japanese technology and labor may be of a high standard, but it is not always in line with local needs especially in terms of cost efficiency and operational sustainability. In addition, the transfer of knowledge and skills to the Indonesian workforce remains a challenge as the project remains dependent on Japanese guidance and supervision. Japan's ODA loan program leaves a gap of ineffectiveness due to the inappropriate program level with the local and cause social problems in the recipient country (Anabarja, 2015). Aid that is considered an instrument of development can potentially create new problems for Indonesia. Therefore, an in-depth evaluation of the effectiveness of JICA's assistance in the Jakarta MRT project is needed.

Aid effectiveness is not only measured by the successful physical completion of projects, but also by the extent to which aid contributes to strengthening local capacity, operational sustainability, and reducing dependency on donor countries. One approach that can be used in this evaluation is the Paris Declaration on Aid Effectiveness, which emphasizes five key principles to ensure the effectiveness of foreign aid: ownership, alignment, harmonization, managing for results, and mutual accountability (OECD, 2005). The principles have 12 indicators designed to address the problem of mismatched priorities between donors and recipients and improve coordination between donors to maximize aid. In the Jakarta MRT project, the application of this principle will be key in assessing whether JICA's assistance has supported sustainable development in line with local needs and supported Indonesia's economic independence or has exacerbated long-term dependence on donors.

Evaluating the effectiveness of foreign aid based on the Paris Declaration is becoming increasingly relevant, where project success is not only measured in technical or financial terms, but also by the extent to which the project is able to have a sustainable positive impact on society. In addition, this evaluation is also important to understand the extent to which the project not only provides a solution to the congestion problem in Jakarta but also contributes to sustainable infrastructure development and local capacity building in Indonesia. As such, this research is expected to make an important contribution in assessing the effectiveness of foreign aid and ensuring that aid received by developing countries truly supports long-term sustainable development goals.

Research Methods

This research uses a descriptive qualitative approach to analyze the object under study. According to Sugiyono (2017), qualitative research aims to describe phenomena in depth in natural conditions, with the author as the main instrument. The focus of this research is to analyze the effectiveness of foreign aid from JICA on the Jakarta MRT project, in the perspective of the Paris Declaration on Aid Effectiveness. This approach is chosen because it prioritizes in-depth understanding of the principles of the Paris Declaration and its implementation in the Jakarta MRT project. The data collection techniques used in this research are literature study and documentation. The author collected data to examine the effectiveness of JICA's foreign aid in the Jakarta MRT project from various sources, such as official documents, project evaluation reports, JICA annual reports, MRT project reports, as well as policy documents related to transportation development in Jakarta. In addition, references from journals, books, publications, and articles were also used to support the analysis in this study. The data analysis technique used the Miles and Huberman model, which consists of three stages: data reduction, data presentation, and conclusion drawing. In the reduction stage, relevant data was grouped based on the main themes. The organized data were then presented in a descriptive narrative to describe the implementation of JICA assistance in the Jakarta MRT project. After that, the researcher draws conclusions to evaluate whether JICA's assistance is in accordance with the principles of the Paris Declaration.

Results and Discussion

Partners Have Operational Development Strategies

In the first indicator, effective aid is when aid implements a strategy that has been set by the recipient country (partner) and is development-oriented, so that the dominant role is in the hands of the recipient country. In the Jakarta MRT project, this strategy should be reflected in the active involvement of the Government of Indonesia in every stage of the project, from policy, planning, to project implementation. The grand design of efforts to address congestion problems in Jakarta has been prepared since Governor Sutiyoso in 2004 through Governor Decree Number 84 of 2004 concerning Macro Transportation Patterns by conducting integrated public transport programs, one of which is the MRT. The Government of Indonesia demonstrated its commitment by integrating the Jakarta MRT project into the 2004-2009 National Medium-Term Development Plan (RPJMN) through Presidential Regulation No. 7/2005 and ensuring that all strategic decisions involve local stakeholders. The inclusion of the Jakarta MRT project into the RPJMN followed a proposal by the DKI Jakarta Government involving several ministries and agencies such as the Ministry of Transportation, the Ministry of Finance, the Ministry of Public Works and Housing, and the National Development Planning Agency to support project planning, funding, and implementation.

Until the position of Governor of DKI Jakarta was continued by Governor Joko Widodo, finally the Jakarta MRT Phase 1 could start the construction phase with an ODA loan from JICA through the STEP scheme. The construction phase was carried out on October 10, 2013, in accordance with the 2013-2017 RPJMD through Regional Regulation of the Jakarta Capital Region

Province Number 2 of 2013. Six years from the construction phase, the Jakarta MRT project was finally inaugurated and successfully operated on March 24, 2019. Although the development of the project has been successful and initiated by the Indonesian side, the limitations of the recipient country in managing the project can raise various obstacles in the future (Anabarja, 2015). Since the beginning, Indonesia has recognized the urgency of MRT development as a solution to congestion in Jakarta and made it part of national policy through the RPJMN and RPJMD. The Indonesian government, both at the central and local levels, was active in every stage of the project, from planning, drafting regulations, to the establishment of PT MRT Jakarta as the domestic implementing agency. Effectiveness is not only seen when the recipient country has its own development strategies and goals, but the assistance must be in accordance with the needs (Anabarja, 2015).

Reliable Country Systems

The second indicator assesses that aid can be considered effective if it is delivered to recipients that have structured procurement and financial management systems, and have programs aimed at strengthening these management systems. In the Jakarta MRT project, Indonesia has sought to establish a structured management system through the establishment of transparent and integrated project management bodies and mechanisms. To support project implementation, Indonesia established PT Mass Rapid Transit Jakarta in 2008 as the implementing agency responsible for the construction and management of the Jakarta MRT. PT MRT Jakarta has a clear organizational structure with specific functions, including a financial management team, an operational team, and a technical team (MRT Jakarta, 2025). This structure allows for equitable distribution of tasks and efficient decision-making in project implementation. In addition, the procurement and financial management systems used in the project implementation followed national procedures at the time the project was planned, in accordance with Presidential Regulation No. 70/2012 on Public Procurement. The implementation of these rules reflects the function of checks and balance, where various parties within the organization can provide mutual evaluation and input to ensure the efficiency and effectiveness of project management, as well as ensuring that this funding is not used as a political instrument for donors.

With Indonesia's experience as an aid recipient country, having an output management system that is based on local interests is a necessity. This can safeguard Indonesia's interests in every aid implementation provided by donors so that they are not easily influenced. Moreover, the current development of foreign aid is only a pretext for developed countries to strengthen their influence in other countries (Soeprapto, 1997). In this case, JICA complies with the use of Indonesia's output management system because the requirements given by JICA do not intersect with this rule. The 30% content requirement from Japan can still work even if the project implementation uses this rule. Moreover, Japan has a weakness in unification of administrative system, so this is not a significant problem for JICA. From this, it can be interpreted that Japan utilizes loopholes to maintain its interests without having to intersect with the principles that have been set.

Aid Flow are Align on National Priorities

The third Indicator states that effective aid is aid whose funding flows are in line with the national priorities of the recipient country. This principle requires that aid flows are aligned with Indonesia's development policies, as well as recorded in the national budget. Since its inception, the Jakarta MRT project has been included in strategic planning documents such as the RPJMN and RPJMD, indicating that the project is part of Indonesia's national agenda. The Government of Indonesia is implementing the Jakarta MRT project through assistance from JICA to support the development. Therefore, there is a need for coordination between the Government of Indonesia and Japan to suit local needs without causing excessive fiscal burden.

The funding for the Jakarta MRT project comes from the ODA loan scheme through JICA, which has its own provisions and procedures for disbursement. Based on the alignment principle, the assistance provided should be transparent and recorded in the national budget, so that the government has full control over its use. In this case, the sustainability of the project is highly dependent on the alignment between the national development plan and the requirements from Japan. If there are discrepancies in the allocation of funds or disbursement terms, the project may face administrative and technical challenges that hinder its sustainability. In addition, the development agenda brought by donors such as JICA often reflects their strategic interests in bilateral relations (Putri, 2024). In addition, JICA also has an inability to participate in budget pooling (Anabarja, 2015).

JICA has various development assistance programs in developing countries including in the urban transport sector, but in the implementation of the Jakarta MRT project, there are challenges in ensuring that the assistance provided truly reflects domestic needs and does not just follow the standards set by the donor. Government involvement in planning and recording aid in the national budget is key to ensuring that the project remains in the control of the recipient country. Indonesia itself also continues to support efforts to strengthen budgetary and administrative systems, so that there is no foreign interference in the allocation of aid flows provided by donors. In addition, with the target to reduce gaps in the recording of aid flows in national budgets as mentioned in the Paris Declaration, transparency and coordination are important elements in aid effectiveness (OECD, 2005).

Strengthen Capacity by Co-ordinated Support

The fourth indicator considers effective aid to be aid whose implementation has clear coordination and allows for capacity building. In the implementation of foreign aid, the effectiveness of aid depends not only on the amount of funds provided, but also on the level of coordination between the donor and the recipient country. The alignment principle in the Paris Declaration emphasizes that aid should be aligned with the national development strategy of the recipient country. In the Jakarta MRT project, coordination between various actors is an important aspect in ensuring that aid flows support systematic strengthening of local capacity. The assistance provided through JICA follows a mechanism that involves various government entities, ranging from the central government to local governments, which are responsible for project planning and implementation (MRT Jakarta, 2017).

In the assistance provided by JICA to MRT Jakarta, there are two coordination conducted in vertical and horizontal forms. The vertical coordination in the construction of MRT Jakarta project starts from JICA as the ODA lender to the Government of Indonesia, which is then transferred to the Provincial Government of DKI Jakarta. The funds were used to establish an agency that then managed the overall implementation of the Jakarta MRT project. As an institution that has experience in funding large projects, JICA not only provides loans but also training in improving project management systems, finance, and project workers (Naomi et al., 2025). Meanwhile, horizontal coordination is an influential factor in capacity building through foreign aid. Horizontal coordination involves various ministries and state agencies, including the Ministry of Transportation, the Ministry of Finance, the Ministry of Public Works and Housing, and the National Development Planning Agency (MRT Jakarta, 2017). Each agency has a role in ensuring that the project is in line with national policies and does not conflict with applicable regulations. Challenges in horizontal coordination often arise due to differences in interests between agencies, which can slow down decision-making and policy implementation.

Use of Country Public Financial Management and Procurement System

In the fifth indicator, aid effectiveness is measured based on the use of a clear and transparent financial management system. In the Jakarta MRT project, financial management is carried out by various Indonesian government agencies, with the central government responsible for managing the JICA loan funds. The funds amounting to Rp14.45 trillion are managed through a mechanism set by the government. The JICA loan for the Jakarta MRT is allocated to various sectors, including civil works, mechanical systems, and rolling stock. Table 1 shows the breakdown of the budget, while changes in budget allocation are adjusted to the needs of the project. Indonesia's financial management system, through Performance-Based Planning and Budgeting Reform (PBK), supports budget transparency and effectiveness despite challenges of inter-agency coordination and policy harmonization.

Table 1. Budgeting Description of Jakarta MRT Phase 1 ODA JICA Loan

Description	Yen	IDR
Civil Works (Elevated & Depot)	¥24.272.000.000	Rp2,791,280,000,000
Civil Works (Underground)	¥31.431.000.000	Rp3,614,565,000,000
Mechanical & Electrical Systems	¥29.138.000.000	Rp3,350,870,000,000
Railway Facilities	¥11.928.000.000	Rp1,371,720,000,000
Development of Dukuh Atas Station	¥4.007.000.000	Rp460,805,000,000
Price Escalation	¥11.028.000.000	Rp1,268,220,000,000
Consultation Service	¥5.975.000.000	Rp687,125,000,000
Physical Reserves	¥5.590.000.000	Rp642,850,000,000

Total	¥123.369.000.000	Rp14,187,435,000,000
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Source: Processed by researchers from the Academic Study of the Jakarta MRT Capital Increase Needs, DPRD DKI Jakarta, 2017

Strengthening Capacity by Avoiding Parallel Implementation Structures

The sixth indicator emphasizes that effective foreign aid does not create parallel structures that overlap with the recipient country's government programs. In the Jakarta MRT project, JICA provides ODA assistance that is fully managed by the Indonesian government through the existing institutional system. The central government, through the Ministry of Finance and the Ministry of Transportation, manages the funds and project implementation, while the Provincial Government of DKI Jakarta and PT MRT Jakarta are responsible for project operationalization (MRT Jakarta, 2017). The project does not establish a parallel structure, but integrates the MRT into the existing governance system, in line with the Paris Declaration target of reducing parallel PIUs (OECD, 2005). The MRT project is also aligned with the government's transportation development strategy, including integration with Trans Jakarta, KRL, and LRT, to prevent policy duplication and waste of resources.

As part of the effort to avoid parallel implementation, the Jakarta MRT project adopted a data-driven approach through feasibility studies from the beginning. JICA and the Indonesian government conducted a mapping of Jakarta's transportation needs, ensuring that the assistance was well-targeted and integrated within the broader transportation ecosystem. The project strengthened the capacity of Government of Indonesia institutions in managing mass transportation, in accordance with the alignment principle, without establishing parallel implementation units, which supports the sustainability and effectiveness of foreign aid.

Aid is more Predictable

The seventh indicator emphasizes the importance of predictable foreign aid with a clear disbursement schedule. In the Jakarta MRT project, JICA set a disbursement schedule based on the loan agreement that included the amount of funds, the stages of disbursement, and the agreed period. Funds are disbursed in stages according to the project stages, such as feasibility study, design, construction, and operationalization (MRT Jakarta, 2017). This disbursement scheme ensures planned budget management, reduces the risk of project delays, and minimizes disruptions in implementation. Table 2 shows the phased disbursement of JICA's ODA loan for MRT Jakarta Phase 1. The approach adopted by JICA in supporting the Jakarta MRT project is also in line with the Paris Declaration's target to reduce disbursement gaps. By ensuring that the proportion of undisbursed funds in a given fiscal year is further reduced, the project can proceed according to the agreed budget plan and schedule (OECD, 2005).

Table 2. MRT Jakarta Phase 1 ODA JICA Loan Stages

Description	Yen	IDR
Loan Agreement No. IP-536	¥1.869.000.000	Rp215,683,000,000

Loan Agreement No. IP-554	¥48.150.000.000	Rp5,556,510,000,000
Loan Agreement No. IP-571	¥75.218.000.000	Rp8,680,157,000,000
Total	¥125.237.000.000	Rp14,452,350,000,000

Source: Processed by researchers from the Academic Study of the Jakarta MRT Capital Increase Needs, DPRD DKI Jakarta, 2017

Aid is Untied

The eighth indicator requires non-binding aid, giving the recipient country the freedom to manage the funds without the obligation to use goods, services, or labor from the donor country. However, in the Jakarta MRT project, JICA's assistance through the STEP scheme is tied aid, which requires Indonesia to use consulting services, technology, and experts from Japan (Tuhayat, 2025). This limits Indonesia's flexibility in selecting service providers. Thus, the project does not meet the principle of non-binding aid as per the Paris Declaration, although it still brings benefits in improving Indonesia's technology and labor capacity.

Use of Common Arrangements or Procedures

The ninth indicator emphasizes the use of program-based common rules to improve coordination between donors and recipients and aid efficiency. JICA's assistance to Jakarta MRT uses a program-based mechanism with planning and procedures agreed between Indonesia and Japan. As an ODA scheme, it requires procurement of goods and services from Japan. The project implemented joint procedures through coordination between stakeholders, including the Ministry of Transportation and PT MRT Jakarta. The program-based approach mechanism is reflected in the preparation of the master plan, feasibility study, and implementation stages that follow international standards with local Indonesian regulations (Yudha & Sari, 2023). The procedure also includes periodic monitoring and evaluation with JICA and the Government of Indonesia (MRT Jakarta, 2021).

The implementation of assistance in the project does not stop at the planning and implementation process, but also how the assistance provided can have an impact on the community. The use of procedures in seeing the effectiveness of aid is a method or stage to solve a problem. This is also in accordance with the Paris Declaration target that 66% of aid distribution should use procedures with an approach to program completion (OECD, 2005).

Encourage Shared Analysis

The joint mission indicator emphasizes the importance of collaboration between donor and recipient countries in aid implementation to reduce ineffectiveness and duplication of projects. In the Jakarta MRT project, JICA and the Government of Indonesia cooperated with various parties, including the Ministry of Transportation, the Provincial Government of Jakarta, and PT MRT Jakarta. One of the joint missions was a jointly prepared preliminary study, which became the basis for the preparation of the Jakarta Metropolitan Area Urban Transportation Master Plan for an integrated and sustainable transportation system in Jakarta (Japan International Cooperation

Agency, 2019). During project implementation, JICA and the Government of Indonesia coordinated through project review meetings to evaluate progress, identify challenges, and find solutions (MRT Jakarta, 2023). The forum addressed technical, managerial, and financial aspects, reflecting the principle of coordination in joint missions as per the Paris Declaration. However, challenges arise from JICA's STEP scheme that requires the use of Japanese contractors, goods, services, and experts, reducing the flexibility to involve local actors such as Indonesian construction companies or domestic research institutions in project decision-making and implementation.

In addition, in terms of field missions, the project shows the involvement of various actors in field inspections and project monitoring (MRT Jakarta, 2023). JICA regularly conducts visits to the project site together with PT MRT Jakarta and relevant agencies to ensure that the project is running according to plan. However, compared to the standard set in the Paris Declaration where at least 40% of donor missions should be joint, the implementation in MRT Jakarta project still needs to be improved, especially in involving more local stakeholders in project evaluation. Whereas in terms of country analytic work, the project showed a comprehensive technical and planning study between JICA and the Government of Indonesia. The collaborative preparation of feasibility study and master plan reflects the effort to ensure that the Jakarta MRT project is in line with the transportation needs in Indonesia. However, to better meet the harmonization standard in the Paris Declaration, the project could still expand the involvement of local research institutes, universities, as well as other non-governmental actors in the joint analysis process.

Results-Oriented Frameworks

This indicator emphasizes the importance of using a results-based management system at every stage of development assistance implementation. The main objective of this approach is to ensure that each aid project focuses not only on implementing activities, but also on achieving measurable impacts for national development. The results-oriented framework in the Jakarta MRT project starts from the planning stage, which involves various actors such as the Ministry of Transportation, Ministry of Finance, Ministry of National Development Planning (Bappenas), DKI Jakarta Provincial Government, and PT MRT Jakarta. At this stage, feasibility studies and strategic planning are conducted, which include an analysis of infrastructure needs, socio-economic impacts, and projected long-term benefits of this mass transportation system. One important aspect of the results-based approach is the establishment of Key Performance Indicators (KPIs) used to measure the success of the project (Tuhiyat, 2025).

The next stage is project implementation, where JICA not only provides funds through soft loans but also conducts close monitoring of the project implementation. A periodic reporting system supervises each phase of construction to ensure that the project runs according to the agreed schedule and budget. In the results-based approach, this monitoring is conducted using a data-driven performance evaluation system, which allows all parties to intervene if obstacles are found from the original plan. For example, if there are obstacles in the field, the construction process will be accelerated to meet the project's daily completion targets. In addition, the framework also includes an impact evaluation, which is conducted after the project starts operating. JICA

cooperates with PT MRT Jakarta and local governments in conducting impact studies on people's mobility, transportation efficiency, as well as economic growth in areas around the MRT line.

Mutual Accountability

Mutual accountability is the final indicator in assessing aid effectiveness. This principle emphasizes that both donor and recipient countries must have a transparent and accountable system for the implementation of projects funded by foreign aid. In the Paris Declaration, this principle requires a mutual assessment or joint evaluation conducted periodically by both parties to ensure that the assistance provided is in accordance with the agreed development goals (OECD, 2005). In the Jakarta MRT project, the principle of mutual accountability is reflected in the evaluation and reporting mechanism. JICA as the donor and the Government of Indonesia as the beneficiary have the obligation to report the project progress periodically. One form of this accountability is the preparation of an annual report covering financial, technical, and social impact aspects of the project. In addition, there are periodic meetings between JICA, Government of Indonesia, and other stakeholders to discuss the achievements and challenges in the implementation of the Jakarta MRT project.

The accountability process in the Jakarta MRT project also involves various instruments of transparency and accountability. For example, in the financial aspect, reports on the use of funds provided by JICA must be in accordance with established accounting procedures and independently audited. This aims to ensure that there are no irregularities in the allocation and use of funds, and that every expenditure can be accounted for openly to the public. In addition to financial reports, the technical aspects of the Jakarta MRT project are also part of mutual accountability. JICA and the Government of Indonesia conduct regular evaluations of the construction progress, the fulfillment of safety standards, as well as the impact of the project on the environment and the community. This evaluation involves a technical audit by an independent team as well as a public consultation forum to accommodate input from communities affected by the Jakarta MRT project (MRT Jakarta, 2025).

Conclusion

Foreign aid is an important instrument for developing countries in achieving national goals. Along with its development, foreign aid is not only used to help other countries recover from war, but also to support donor countries to achieve their political interests in recipient countries, under the pretext of economic growth. As has been explained, foreign aid for developing countries is a necessity as a solution to problems that occur, including infrastructure development. In Indonesia itself, it is known that the need for foreign aid is increasingly relevant to solve problems, and congestion is a major problem that occurs in big cities. The Jakarta MRT is a congestion solution funded by Japanese foreign aid through JICA. However, the political interests of donor countries in providing aid make aid ineffective, so it is necessary to map, understand, and identify the implications.

By using the theoretical framework based on the Paris Declaration on Aid Effectiveness as the analysis of the research, it can be seen the application of aid effectiveness principles from JICA

in funding the Jakarta MRT project. Some principles have been fulfilled such as Ownership, Harmonizations, Managing for results, and Mutual Accountability. There is one indicator in Alignment that has not been fulfilled, thus affecting the effectiveness of assistance provided by JICA. Of course, with the presentation of data that has been done, it can be seen various implementations of JICA and the Government of Indonesia in maximizing the construction of MRT Jakarta. In addition, the various indicators that have been analysed can not only be applied to the case of JICA's assistance in the Jakarta MRT project but also can be used to understand the effectiveness of assistance in other infrastructure development projects.

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