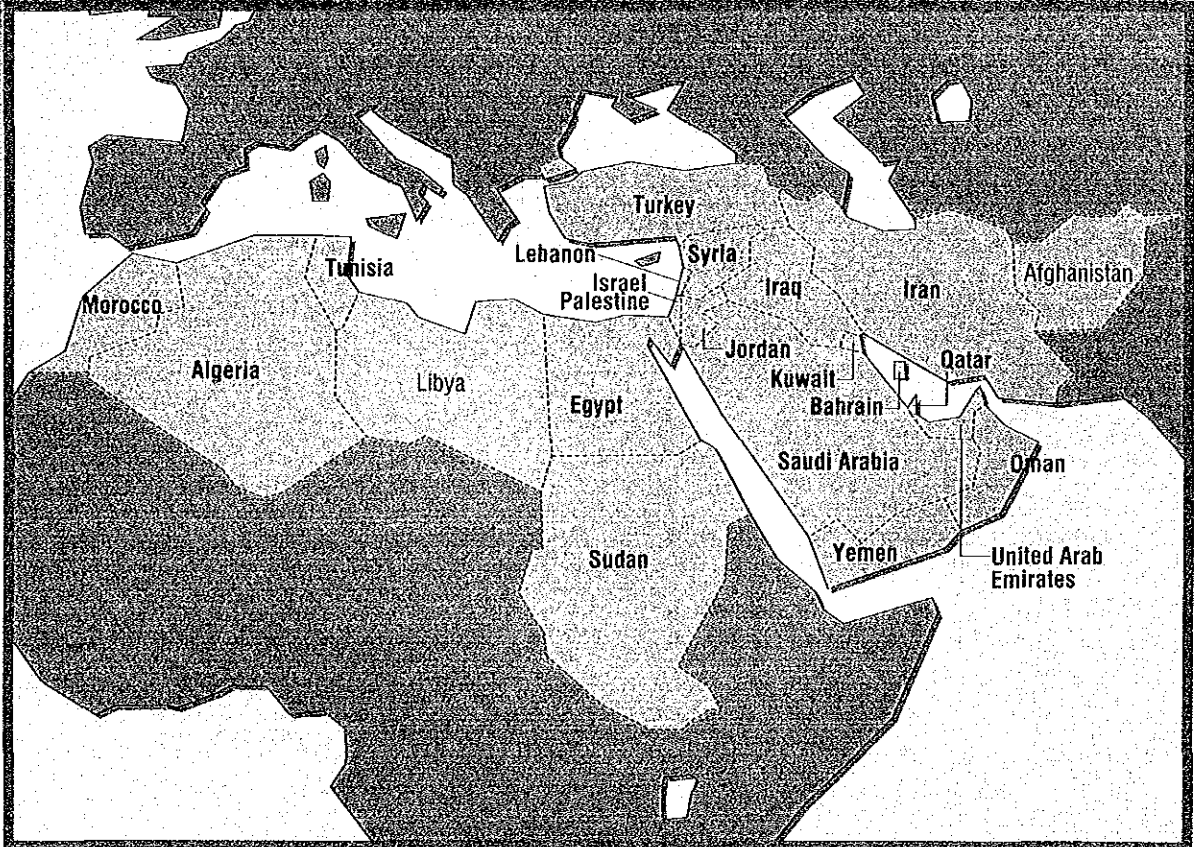


## Chapter 2



# Middle East



# Current State of Development



JOCV member giving art courses at "the Youth House" (Tunisia).

## Diverse Political and Economic Backgrounds

The 22 countries of the Middle East region stretch from Afghanistan in the east to Morocco in the west, and from Sudan in the south to Turkey in the north. The climate throughout most of the region is arid or semi-arid, apart from the Red Sea and the Persian Gulf, where there is high humidity; North Africa, which has a Mediterranean climate; and the southern part of the Arabian Peninsula, which has a mountainous climate.

Political systems include kingdoms, emirates, secular republics and an Islamic republic based on clerical rule. Economic disparities between the countries of the region are considerable: whereas the Gulf states and the North African countries are blessed with extensive petroleum and natural gas resources, countries such as Yemen and Sudan are classified as least among less developed countries\* (LLDCs) since they lack natural resources and are lagging behind economically.

## Varied Development Conditions

Many countries in the Middle East have rich histories extending far back beyond the birth of Christ, in addition to varied social and cultural backgrounds. Since the end of the Second World War, the region has seen much conflict, including four wars fought between Israel and the Arab nations, the Lebanese conflict, the civil war in Afghanistan, the Iran-Iraq War and the Gulf War.

The Middle East is a very diverse area, and the development picture it presents is in no way uniform. For instance, the Gulf states have pushed ahead with economic and social development using vast oil revenues gained from development of petroleum resources, and this has enabled them to establish a high level of infrastructure\*. However, these countries urgently need to train personnel to support their nation-building efforts since, particularly because of their small populations, they still have insufficient human resources of their own.

There are also several countries experiencing difficult economic conditions where the provision of services remains inadequate in connection with such basic human needs\* (BHN) as basic medical care and a safe water supply.

## Basic Principles of JICA Aid for the Middle East

JICA is especially involved in fields of development for which needs exist throughout the Middle East, in particular the management of water resources, environmental conservation and the stimulation of industry. At the same time, the political, economic and social diversity of the region means that cooperation must be planned to take account of different situations in specific countries.

From the standpoint of supporting the Middle East peace process, which is the main issue in this region, JICA is actively providing Technical Cooperation for Palestine, one of the main parties

in the peace process, in the form of Grant Aid for basic human needs (such as medical care and education) and Acceptance of Technical Training Participants. Support is also being given to the neighboring countries of Egypt and Jordan.

In Saudi Arabia and other oil-producing states, JICA is providing support for the economic diversification efforts needed to enable these countries to break free of their monocultural economic structure reliant on petroleum. Cooperation especially involves the training of engineers and technical personnel.

In countries with relatively high-income

levels, such as Tunisia and Turkey, Technical Cooperation is being provided with emphasis on promotion of industry. On the other hand, JICA provides Technical Cooperation and Grant Aid to countries with relatively low-income levels, such as Egypt, Jordan, Syria and Yemen. Cooperation is occurring especially in relation to upgrading and expanding industrial infrastructure and satisfying BHN in areas such as health care.

Apart from the occasional case of humanitarian and emergency aid, cooperation is not currently being provided to Afghanistan, Iraq, Libya and Sudan.

# Tackling Priority Issues in JICA Programs

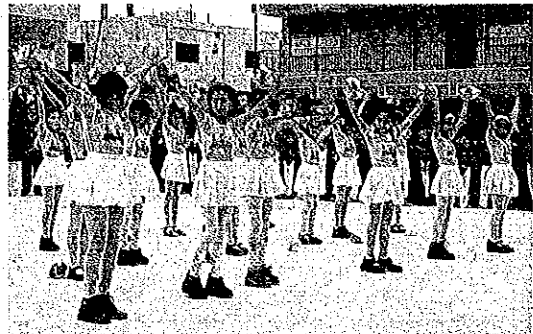
## Support for Peace in the Middle East

The Middle East has been affected by regional disputes and civil war, and the interruption of the Middle East peace process has been the most urgent issue in the region in recent years.

In September 1993, the Israeli government and the Palestine Liberation Organization (PLO) agreed that an autonomous zone for Palestinians should be established in Gaza and on a part of the West Bank of the River Jordan, which Israel had occupied since the Third Middle East War of 1967. The Palestinian Authority was established in May 1994 as an autonomous government for the Palestinian people. In September 1995, an agreement was reached on expanding self-rule to the whole of the West Bank region. Elections to an assembly were held in January 1996, and the institutions of state have been created.

After the subsequent assassination of then-Prime Minister Yitzhak Rabin and the passing of the Netanyahu government, which took a cautious stance toward the peace process, the Barak regime came into power in Israel in May 1999. Although the international society's expectations rose, the peace process has been interrupted by clashes between Israeli and Palestinian forces since September 2000.

Japan has been actively taking part in multinational discussions by chairing the Environmental Working Group, which is one of five Working Groups established at the Multilateral Middle East Peace Negotiations held in 1992 to support the peace process (Environment, Regional Economic Development, Water, Arms Control and Regional Security and Refugees). Japan is also making active contributions by providing support through international agencies



At an elementary school for Palestinian children, students dance to a Japanese song under the instruction of a JOCV member (Syria).

and directly through JICA.

In connection with support for the Environment Working Group, JICA is providing in Jordan, through the third-country training\* scheme, training on upgrading of techniques and knowledge of environmental legislation and enforcement to Palestine, Egypt, Israel and Jordan. The training in this case involves the dispatch of lecturers from Japan, the United States, Canada and the European Union. JICA is also considering possible areas of Technical Cooperation in order to strengthen trusting relationships with the countries concerned. Moreover, JICA has been providing Technical Cooperation in the field of occupational training through the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA).

In addition, cooperation on human resources development in Palestine since 1997 has included acceptance of training participants on a bilateral basis in the fields of occupational training and administration, and third-country training aimed at creating a core complement of engineers with proficiency in such fields as telecommunications, maintenance of medical equipment and electronic power in the neighboring countries of Egypt and Jordan.

In the event that the peace process recommences, JICA plans to provide cooperation aimed at improving basic infrastructure and strengthening the administrative capabilities of the government.

## Response to the Japan-Saudi Arabia Cooperation Agenda

With the aim of expanding relations between Japan and Saudi Arabia, an agreement was reached in October

1998 on expanding cooperation in five fields referred to in the Japan-Saudi Arabia Cooperation Agenda: education and human development; the environment; medical care, science and technology; culture and sport; and investment and joint venture operations.

JICA is providing cooperation especially in education and human resources development, the environment, and medical care, science and technology. In the field of education, JICA is extending cooperation for human resources development for the nation's citizens through the training of teaching staff at the Center for the Development of Education in Electronics Technology, as well as engineers at the technical college level, and by planning Technical Cooperation for the training of automobile mechanics.

With regard to the environment, JICA is carrying out a number of Development Studies, including the

"Study on Coastal/Marine Habitat and Biological Inventories in the Northern Part of the Red Sea Coast in the Kingdom of Saudi Arabia" and the "Study on an Environmental Assessment and Monitoring of the Arabian Gulf in the Kingdom of Saudi Arabia." Furthermore, JICA is providing research cooperation\* in connection with "The Joint Study Project on the Conservation of Juniper Woodlands in Saudi Arabia" project.

In addition to this cooperation, in January 2001 JICA made public plans to promote inter-cultural dialogue, cooperation in the field of water resources and wide-ranging policy dialogue. In addition, JICA started its "Master Plan on Renewable Water Resources Development in the Southwest Region of the Kingdom of Saudi Arabia" by dispatching experts to a water resources seminar for the Persian Gulf

**Front Line**

Vocational Training Center for Women **Jordan**

**Toward the Opening of a Vocational Training Course on Photography**

Dispatch of Senior Volunteers

◆ Providing Vocational Training Dedicated to Women

The Vocational Training Center for Women is situated on a desert hilltop in the city of Zarqa, located outside of the Jordanian capital of Amman. From the hill, to the northwest one can see the new section of Zarqa, which is clouded with smoke from metal works, and to the northeast the old section of town, which is overwhelmed by heavy pollution from neighboring factories that covers pedestrians with a brown soot. To the east are the grazing lands of the Bedouins, which stretch to the Syrian border. Upon these lands, shepherds and their dogs lead flocks of sheep in a seemingly aimless manner.

The Vocational Training Center for Women is situated in this environment.

It is rare for Jordanian women to take up employment, and this is especially true of married women. Yet despite this, the Vocational Training Center for Women provides vocational training for women in cosmetology, sewing, secretarial work, clerical work and personal computers.

◆ Taking Advantage of the Special Position of Women

Currently, the center is about to start a vocational training course on photography, the first of its kind in Jordan. In reality, there are few women working in photo shops in Amman and Zarqa, which raised the question as to whether vocational training in photography will produce income. However, the answer to this question is yes.

Married women wish to have pictures taken with their families and relatives. However, it is socially unacceptable to have such pictures taken in public places and at photo shops run by men. This problem can be overcome if the photos are taken by female photographers.

There is nothing comparable to this training course, which was



At a meeting to examine photographic equipment for which international tender proposals were received.

planned about five years ago in neighboring Arab states, and thus it is unique to Jordan. However, despite initial enthusiasm, the classroom prepared for the class is in a state of disrepair, with large, improperly constructed windows letting in sands blown by strong desert winds.

International tenders for equipment for the classroom were accepted with the deadline set for 20 February 2001. The sorting of tender proposals has been completed, and now we are awaiting the final decision. Equipment will be brought in after this decision is reached. It is not yet possible to predict when the course will actually commence.

Time flows like the Jordanian winds, and we continue to watch desert sunsets with the hope that the facility will be completed soon.

(JICA Jordan Office)

states, and also plans to start cooperation in the field of archaeology.

## Commencement of Cooperation in the IT Field

In 2000, JICA dispatched a IT study team to Jordan—the first country in the Middle East to receive such a team. JICA is also starting to provide cooperation in the IT field that involves such activities as development of multimedia teaching materials and the promotion of community-based activities aimed at bridging the digital divide\*. In addition, in collaboration with the World Bank, JICA is providing cooperation for the Global Development Learning Network Center in the University of Jordan.

## Support for South-South Cooperation

There are several countries in the Middle East that are engaged in South-South cooperation\*, thus using their own development experience to help other developing countries. JICA is actively supporting these activities, especially through the medium of third-country training\*. Such training is aimed at more than 20 countries in the Middle East and Central Asia, including Egypt, Jordan, Turkey, Morocco and Saudi Arabia.

## Support for the Self-reliance of the Victims of the Earthquake in Turkey

In response to the earthquake that struck north-western Turkey in August 1999, Japan dispatched

### Front Line

Cooperation for Rehabilitation of Schools for Children with Disabilities

MOROCCO

#### Deepening Exchange with Children with Disabilities

Dispatch of JOCV and Grant Assistance for Grassroots Projects

##### ◆ Children Left with Disabilities due to Polio and Traffic Accidents

Morocco is a country that has both underdeveloped aspects common to developing countries and advanced aspects. In particular, it faces many problems in areas such as medical care, social welfare, environment and education.

For example, in Japan polio tends to be regarded as a disease of the past, but in Morocco many children are still deprived of the use of their bodies by polio. In addition, an increase in the number of cars has been accompanied by a rapid increase in the number of traffic accidents, and the per capita rate of deaths caused by traffic accidents has reached the same level as that of Japan.

In Morocco, there are two schools for children of school age (between 6 and 18 years) who have disabilities in the lower part of the body due to polio or traffic accidents. Since 1995, a member of Japan Overseas Cooperation Volunteers (JOCV) has been dispatched to one of these schools, the Ibumarbaitar School, to provide cooperation on the rehabilitation of children with disabilities.

The JOCV is deepening a variety of exchanges with children through activities such as provision of school meals, guidance on nutrition and extracurricular guidance. Volunteers are also providing guidance on rehabilitation techniques such as physiotherapy and the production of prosthetics.

##### ◆ King Mohamed VI and Members of Japan's Imperial Family Have Visited the School

In March 2000, King Mohamed VI, the young king who attracts the overwhelming respect and love of the Moroccan people, visited the Ibumarbaitar School. For the Moroccan people, an opportunity to see their king is a great occasion, and people lined up from early in the morning to welcome him. The king exchanged words with children and others in attendance. Among them was the JOCV, and seeing this young Japanese in the crowd may have surprised the king somewhat.



Their Imperial Highnesses Prince and Princess Takamado paying a visit to a workshop for the production of artificial limbs.

In June 2000, Their Imperial Highnesses Prince and Princess Takamado also visited the Ibumarbaitar School during an official visit to Morocco.

The school is attracting attention from many quarters, and its facilities are being improved and expanded through the grant assistance for grassroots projects\* scheme of the Japanese government and the Mohamed V Fund of the Moroccan government. In June 1999, with the Japanese ambassador in attendance, a ceremony was held to commemorate the construction of a covered walkway built by grant assistance for grassroots projects.

However, many children leave the school with varying degrees of disability. Will these children manage to triumph over the many difficulties that Moroccan society will present them? This is a question the JOCV cannot help asking.

(JICA Morocco Office)

Japan Disaster Relief Teams that included a rescue team, medical team and team of JICA experts in the field of earthquake resistance. Emergency relief supplies were also provided and Grant Aid was implemented. To provide urgent assistance to the victims of the earthquake, the temporary housing that had been used after the Great Hanshin-Awaji Earthquake in Japan was made available. JICA is now working together with NGOs to provide community support that will enable the victims to regain their self-reliance.

Istanbul was not seriously damaged by this earthquake, but there remains a strong possibility that the city will be hit by another earthquake sometime in the



JDR medical teams dispatched to western Turkey.

near future. JICA thus intends to draw up a basic plan for disaster prevention in Istanbul on the basis of Development Study.

## II

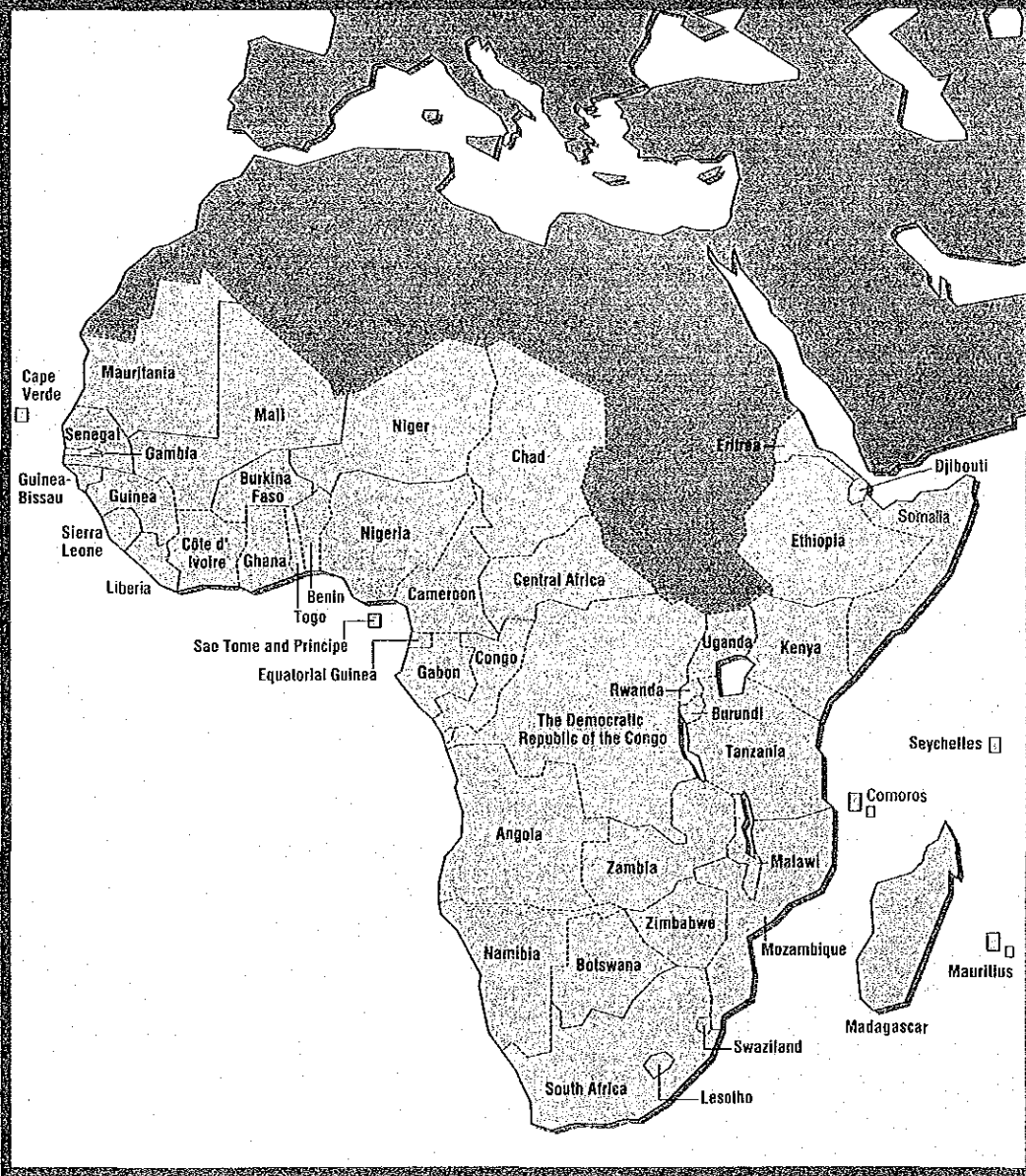
### Chapter 2

#### Middle East

# Chapter 3



# Africa



# Current State of Development



Villagers welcoming a JICA study team (Senegal).

## Socioeconomic Development Facing Extensive Difficulties

Africa refers here to sub-Saharan Africa with the exception of Sudan. This is a vast area stretching over 21.87 million square kilometers with a varied climate characterized mostly by arid desert zones and humid tropical rain forest.

Although most African countries gained their independence during the 1960s, many, under the influence of agricultural management during the colonial period, have inherited a monocultural structure with their economic foundations resting on specific primary products. The effects of drought and other changes in the natural environment and of fluctuations in international markets are therefore liable to have immediate repercussions on these economic foundations and to result in fragile economic structures.

Restricted access to education means that national development has had to proceed with limitations on the human resources required for nation-building. This has meant that African countries have thus had to face

countless difficulties on their paths to socioeconomic development following independence.

## A Region with Two-thirds of the World's LLDCs

During the 1960s, the decade when many African countries gained their independence, these countries benefited from an international economic environment characterized by stability in the international prices of primary products for export. This meant that they were able to achieve steady growth, assisted by aid received from industrialized countries. However, with the exception of a few countries, their economic growth has become sluggish since the 1970s owing to a fall in the prices of primary products; the oil crises; the failure of economic management; unstable political foundations; drought, flooding and severe climate changes; regional conflict; and civil war.

During the 1970s, many countries had to take out large loans in order to maintain levels of income and investment. However, their gross national products (GNPs) have in real terms shown negative growth since

## II

### Chapter 3

### Africa

## Basic Principles of JICA Aid for Africa

Aid from Europe and the United States has failed to grow significantly since the end of the Cold War, and as a result, African countries have increasingly looked to Japan for assistance.

At the same time, in light of the importance of this region in terms of international politics, Japan organized the First Tokyo International Conference on African Development (TICAD I) in 1993 and TICAD II in 1998. The aim of these conferences was to stress the importance of African development to the international community and to enhance understanding and support for the region.

On the basis of the guidelines for Japanese

aid to Africa presented at these conferences, JICA determined that the ultimate goal of African development should be poverty alleviation, and we are now striving to make improvements in human resources development and in the capacity to formulate and implement policy in the following fields:

- (1) Social development centering on education, health and medical care, and water supply;
- (2) Agricultural development with consideration given to food security as well as to the poorer sectors of society;
- (3) Development and reinforcement of systems of the market economy that contribute to

- the development of the private sector; and
- (4) Democratization as the basis of development, prevention of conflict and post-conflict recovery.

In providing cooperation in these areas, JICA is planning to promote South-South cooperation which makes use of development experience in Asia, and intra-regional cooperation centering on regional bases, in addition to actively participating in the drafting, implementation and monitoring process of the Poverty Reduction Strategy Paper (PRSP) and sectoral programs based on aid coordination.



the 1980s, and by the end of the 1990s their external debt had grown to enormous proportions. A consequence of this was that financial resources which would normally have been directed toward development and public services had to be used to pay off debt, resulting in a shortage of the funds required for normal social services.

This decline in economic growth and the burden of heavy debt have resulted in the fact that 32 of the world's 48 least among less developed countries\* (LLDCs) are concentrated in Africa, and about two-fifths of the population belongs to the class of the absolute poor, having to live on less than US\$1 a day.

### Support for Africa in an Atmosphere of Change

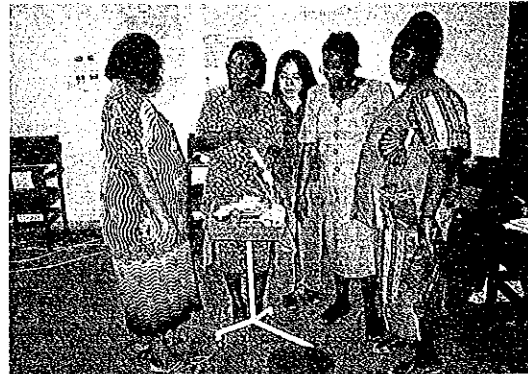
The countries of Africa are currently at a major political and economic turning point.

In the political arena, many countries adopted a system of single-party dictatorship or military rule under powerful leaders in order to maintain their national unity following independence. But, following the disappearance of the Cold War structure in the wake of the collapse of the Soviet Union, and under the influence of demands made by donor\* nations, African countries are gradually becoming more pluralistic and are moving toward multi-party systems. The year 2000 saw progress in democratization, such as the peaceful transition of power in Senegal, but there were also concerns about the escalation of conflicts in a number of countries in which new political turmoil has emerged or civil war has continued.

In the economic arena, many countries have



JOCV carrying out a village survey (Senegal).



Training for personnel involved in maternal and child health care (Ghana).

collapsed economically and financially. Since the 1980s, efforts have been made under the guidance of the World Bank and the International Monetary Fund (IMF) to change over to economic policies that involve a series of structural adjustments\*. The aims here are to open up the economy, improve government finances and bring about improvements in the international balance of payments of these countries by moving away from managed economic policies controlled by the public sector and by stimulating the economy through investment and market activities. As a consequence of such measures, there are several countries, such as Uganda, Ghana and Burkina Faso, where efforts toward economic reform have induced stable economic growth and brought international recognition. However, in many countries, administrative, fiscal and governmental reforms involving sudden economic liberalization, privatization and the downsizing of the public sector are having a serious effect on the poor by lowering the standard of social services and causing unemployment. Since the 1990s, there has been a growing demand for development carried out in parallel with reform of the overall economic structure that takes account of the social repercussions of reform and also emphasizes benefits to the poor.

Organizations engaged in development activities are increasingly reviewing development from a total perspective, including not only the public sector but also those that have hitherto generally been the recipients of social services, including non-governmental organizations (NGOs) and the private sector. A sector program approach is now being adopted in order to avoid the situation in which various donors work on their own separate projects using the limited resources possessed by the developing country in question. This

approach involves the formulation of specific sectoral issues, development strategies, and budget allocation plans in collaboration with the developing country, followed by cooperation implemented in accordance with a plan for the sector as a whole. Formulation of a PRSP is also becoming increasingly common with the participation of a wide range of related individuals and

## Tackling Priority Issues in JICA Programs

### Current State of Aid

In fiscal 2000, JICA provided cooperation to 44 countries in Africa, a figure representing all the countries in the region with the exceptions of Somalia, Liberia and Comoros. Cooperation with African countries accounted for around 14% of the total value of JICA's Technical Cooperation. Africa occupies a particularly important place in the Dispatch of JOCV Program: around one in four JOCV was sent to Africa in fiscal 2000.

### Building on the TICAD II "Tokyo Agenda for Action"

TICAD II was held in Tokyo under the joint sponsorship of the United Nations and the Japanese government in October 1998. Attended by representatives of 80 countries, 40 international agencies and 22 NGOs, TICAD II saw the adoption of the "Tokyo Agenda for Action," which aims to set the basic agenda for future cooperation in Africa. On the basis of this agenda and with the awareness that the ultimate aim of African development is poverty alleviation, JICA is actively contributing to capacity building\* in Africa in connection

organizations including donors, NGOs, the general public and the private sector. A PRSP is a three-year plan for economic and social development that focuses on poverty alleviation. The approach to development in Africa has thus reached a major turning point in recent years in line with political and economic reform.



A training participant engaged in an international exchange festival organized by Kagoshima Prefecture.

with the priority issues summarized below.

In 2001, a TICAD meeting at the ministerial level is scheduled with the aim of reviewing African development since TICAD II and formulating strategy for the future. Based on the results so far, JICA intends to actively participate in the TICAD process.

### Main Approaches

#### 1. Support for Human Resources Development

When carrying out human resources development in Africa, raising the abilities of administrative organizations and the private sector plays an even more important role than in other developing countries. Because of this, the training of people who are able to manage organizations and systems is indispensable. JICA believes that the most important issues for it to tackle in Africa are human resources development and related institutional development, and it is engaged in long-term cooperation involving various forms of Technical Cooperation.

#### 2. Promotion of Inter-regional Cooperation

Since the size of the economy and the capacity to administer aid differs from country to country, it is not effective to provide aid in exactly the same way to all

countries. Furthermore, there are many common issues facing the region, issues that might best be tackled jointly in order to achieve optimum results.

For this reason, based on the results of cooperation accumulated in a number of priority countries, JICA believes that one important approach to providing aid effectively and efficiently is to promote inter-regional cooperation to support neighboring countries by using the abilities of related organizations in partner countries.

In line with this approach, in East Africa, JICA is promoting the African Institute for Capacity Development (AICAD), which is carrying out research, engaging in human resources development,

and generating information for the benefit of African society from its base in Kenya at Jomo Kenyatta University of Agriculture and Engineering. In West Africa, we are actively providing inter-regional cooperation in the fields of vocational training and water supply in Senegal.

Furthermore, with a view to promoting international measures to combat parasites, we are implementing inter-regional cooperation in Kenya and Ghana.

### 3. Aid Coordination, PRSP and the Sectoral Program Approach

The year 2000 saw major developments in aid coordination. Especially, in conjunction with the deepening

## Front Line

Integrated Human Development Program  
(Improvement of Livelihood and Health)

Ghana

### Facing the Alleviation of Poverty with Multi-faceted Cooperation

#### ◆ Combining Various Forms of Cooperation to Tackle Poverty Alleviation

Ghana, a West African nation with a population of 19 million, was the first African state to achieve independence (1957). It has been making various efforts to achieve the stable development of its society and economy; however, it still faces many development issues, including an increase of people in absolute poverty in some regions.

Against this backdrop, from April 1999 JICA formally started its Integrated Human Development Program (IHDP)—the only program of its kind—in order to deal with the multi-faceted development problem of poverty while taking into consideration the use of various forms of aid. One characteristic of this program is that it does not utilize one single form of cooperation, as is traditionally the case; instead, it combines various forms of cooperation to horizontally and comprehensively tackle poverty. The program is also being implemented with due attention paid to coordination with the projects of other donors and NGOs. Further, with the active involvement of local residents and regional development authorities, JICA is currently considering concrete details of the program while taking into consideration the poverty alleviation policies of the government of Ghana.

#### ◆ JICA Starts Activities in Regions with a High Percentage of People in Absolute Poverty

So far, JICA has: a) established an office in the Ghana National Development Program Committee; b) selected four districts within the Upper East Province, which has a high share of people living in absolute poverty, as the initial priority activity areas; and c) just started field-level activities. More specifically, under the framework of the Community Empowerment Program\*, a number of measures are being implemented with a view to improving the economic and social status of rural women. These efforts include support for non-agricultural production activities (such as the manufacture of pottery and ceramics), improvement of primary education (such as establishment of PTAs and improvement of opportunities for girls to receive education), improvement of primary healthcare (such as the movement to abolish female circumcision and the Provision of traditional

Community Empowerment Program, Dispatch of Technical Cooperation Experts, Acceptance of Technical Training Participants, etc.



Women urgently need to be freed from the task of water collection.

training for midwives), and strengthening of food security by building crop storage facilities for households.

The Dispatch of Technical Cooperation Experts Program supports the strengthening of rural development administration by holding workshops with the participation of local residents and by the formulation of medium-term development programs by development officers in the target districts.

The Acceptance of Training Participants Program sends staff of the government of Ghana to courses in Japan or in third countries.

A pilot project supports the processing of agricultural products by installing processing machines in the community near the local market. The project aims to raise the income of farmers by increasing the value added to agricultural products. This program also provides multi-faceted aid that includes effective utilization of Japanese Grant Aid projects such as the utilization of counterpart funds or grant assistance for grassroots projects\*, in addition to Technical Cooperation.

In order for these projects to have effective results in the future, the organization and systems of the government of Ghana need to be improved to strengthen the capability of its personnel in the field of development administration and to widen the field of activities.

(JICA Ghana Office)

of the Heavily Indebted Poor Countries (HIPC) initiative, the PRSP formulation process has seen substantial development in each country. In anticipation of PRSPs becoming development policies shared by all donors, JICA is actively participating in and contributing to the formulation process while putting emphasis on the cultivation of ownership\* on the part of the African side. In addition, JICA continues to participate in the monitoring of the implementation of PRSPs, which is the principal issue after formulation.

In addition, the "sector program" approach, which is closely related to the PRSP process, is being promoted in such fields as education, health and agriculture, mainly in English-speaking African countries. JICA is working on clarifying the role of its cooperation in connection with the sector programs in order to realize more effective cooperation. JICA is also working on such issues as the harmonization of procedures for the "common basket" (an aid method by which a common fund is established to which each donor contributes), and improvement of the predictability of aid. As part of these efforts, JICA began a study on the support program for rural and agriculture sector development in Tanzania in March 2001. JICA is hoping to improve the capacity of the Tanzanian government by providing support for the formulation of a development strategy and sector program in this area.

#### 4. Promoting Cooperation Between Asia and Africa

Promoting cooperation between Asia and Africa is an approach to aid that emerged from the TICAD process. It involves the sharing of development experience gained in Asia with Africa.

JICA will continue its effort to strengthen cooperative relationships between the two regions by expanding training courses held in Asia for Africa, while also trying to match African needs with possible areas of cooperation from Asia.

### Important Topics

#### 1. Social Development

Scientific subjects and mathematics form the core of Japanese educational cooperation. In addition to package cooperation\* (a combination of Project-type Technical Cooperation, group Dispatch of JOCV and



"Asia-Africa Cohabitation Forum", which was attended by training participants from five East African countries.

the upgrade of facilities and equipment by means of Grant Aid) in Kenya, JICA is currently supporting science and mathematics education in Ghana by combining a project involving training and retraining of elementary and secondary school teachers with group training in Japan. In South Africa, too, JICA is combining the dispatch of expert teams with training and research support in Japan with a view to strengthening the system for retraining teaching personnel.

In the field of health and medical care, cooperation is being provided in Tanzania and Zambia with emphasis on strengthening primary health care (PHC). In order to raise the quality of health services and medical care, JICA is also training medical practitioners. Further, concerning infectious diseases that constitute major problems in Africa (such as HIV/AIDS, malaria and tuberculosis), in addition to projects under implementation in Ghana, Kenya, Zambia and Zimbabwe, JICA is looking to enhance its cooperation through Japan-U.S. joint project formulation studies\* in Tanzania, in order to realize the "Okinawa Infectious Diseases Initiative" that was announced at the Kyushu-Okinawa G8 Summit of July 2000.

In the field of water supply, we are attempting to further expand regional water supply projects that we have been actively involved in since TICAD I and to raise the maintenance and administration capacity of water supply facilities. In this connection, we are implementing the "Groundwater Development and Water Supply Training Project" (Project-type Technical Cooperation) in Ethiopia, which is aimed not only at engineers but also at the community organizations of water administration unions. In Senegal, we have been educating those concerned by holding an international workshop aimed at West African countries that is intended to stress the importance of maintaining and administering water supply facilities and of promoting health education through the construction of wells. We are also considering the implementation of concrete projects to promote these programs.

In Africa, women play the major role in agricultural production, housework and child-rearing, yet they have relatively little opportunity to benefit from education and other social services, which places them in a socially disadvantaged position. When providing cooperation, JICA therefore tries to ensure that the benefits are felt equally by women and men. With participation at the initial stages of the development process by the local communities who are beneficiaries of our activities, we are striving to introduce community-participatory development\* methods in order to improve our operations and encourage the idea of ownership.

## 2. Agricultural Development

Most of the African population is involved in agriculture, and most people continue to produce food for their own self-sufficiency. It is important therefore to

contribute to the alleviation of poverty in rural areas by improving conditions of food security through efforts to raise the productivity of small-scale farmers and by ensuring sources of cash income through the introduction of cash crops.

JICA is thus encouraging the supply of agricultural production materials by means of Grant Aid to African countries. We are also providing Technical Cooperation aimed at promoting irrigated cultivation among small-scale farmers in countries including Ghana, Cote d'Ivoire, Tanzania and Kenya.

## 3. Development of the Private Sector

In addition to training personnel who can contribute to development of the private sector by improving and strengthening the market economy system, encouraging trade and investment, and

### Front Line

The Project on Aquaculture and Technical Development of Malawi Indigenous Species

Malawi

## Restoring the Production Quantity of Endemic Species in Lake Malawi Through Cultivation

Project-type Technical Cooperation

### ◆ Catches Dropped Due to Rampant Overfishing and Environmental Destruction

Although Malawi is situated in the inner part of East Africa, most of its people like to eat fish, with 60-70% of the protein intake of Malawians originating from fish.

Annually, between 60,000 to 70,000 tons of fish are caught from the lakes and rivers surrounding Lake Malawi. However, due to rampant overfishing and environmental destruction in recent years, the number of fish caught has stagnated. On the other hand, as the population of Malawi is growing at a rate of 3% per year, the annual amount of fish consumed per person in Malawi has dropped from 12 kilograms 12 years ago to around 7 kilograms in recent years.

### ◆ Turning Sales Profits into Funds for the Project

Against the backdrop of stagnating levels of fish production, the government of Malawi planned to increase production through cultivation. However, as many endemic species live in Lake Malawi, policy forbids the introduction and cultivation of foreign species from the viewpoint of preserving biological diversity.

In response, JICA selected endemic species for cultivation and implemented a first-phase project entitled The Research Project for Small-scale Aquaculture of Malawian Indigenous Species from March 1996 to April 1999, with the aim of developing appropriate cultivation techniques.

Based on basic data obtained from this three-year first phase, JICA has been implementing the Project on Aquaculture and Technical Development of Malawi Indigenous Species since April 1999, with the twin objectives of establishing reproduction technology for fish of the carp family that are considered suitable for cultivation, and developing appropriate cultivation techniques for the tilapia and African catfish, which were already being cultivated. In this project, technology development and guidance have been carried



Counterparts are now able to carry out operations on their own.

out in the fields of reproduction, cultivation techniques, development of feed and verification experiments over the past two years. Counterparts in Malawi have deepened their understanding and knowledge, and they are now able to carry out many of these activities on their own.

On the other hand, Malawi, with a per capita GDP of about US\$200, is amongst the LLDCs, and it faces difficulties in securing funds for research institutions. In order to deal with this situation, the project sells newborn and grown fish that have been bred at the national cultivation center and its branches to fishermen and residents in the surrounding area, and uses the profits to fund the project. Currently, the project is earning a yearly profit of US\$5,000, which is used to run the center.

In Malawi, where the social and economic infrastructure is weak, it takes time for a project to become established. It is expected that determined and continued efforts by both the Malawian and Japanese sides will encourage the smooth development of the center and improve the lives of the people of Malawi.

(JICA Malawi Office)

fostering small and medium-sized enterprises, JICA is providing support primarily through the Acceptance of Technical Training Participants (country and region-specific courses), Dispatch of Technical Cooperation Experts and Development Studies.

Upgrading of roads, bridges and electrification is indispensable for economic development and stimulating investment, and JICA is providing support in this area primarily through Grant Aid. Human resources development aimed at raising capacity to maintain and manage facilities after their construction is also under way through the Dispatch of Technical Cooperation Experts and the Acceptance of Technical Training Participants.

#### 4. Good Governance and Peacebuilding

Taking account of the historical and cultural backgrounds of African countries, JICA is actively cooperating to establish the principles of good governance.<sup>4</sup> This entails allowing the basic principles of constitutionalism, democracy and basic human rights to take root and raising the accountability, transparency and efficiency of government, as these are the bases for development.

In 2000, members of parliament from the six nations of Kenya, Tanzania, Zambia, Mozambique, Madagascar and South Africa and government officials from Nigeria

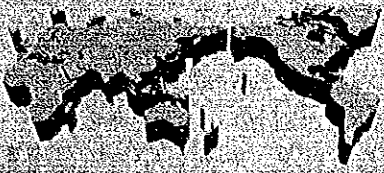
were invited to Japan to attend a seminar on democratization organized by JICA. Its focus was the development of democracy and the process of economic development in Japan. We intend to strengthen and expand our cooperation in this field in the future.

In addition, in conflict-ridden Africa, JICA formulated projects aiming to lessen the burden accompanying the acceptance of refugees through the implementation of a joint project formulation study with the UNHCR in Tanzania. This was part of a new initiative in the field of post-conflict reconstruction (peacebuilding).

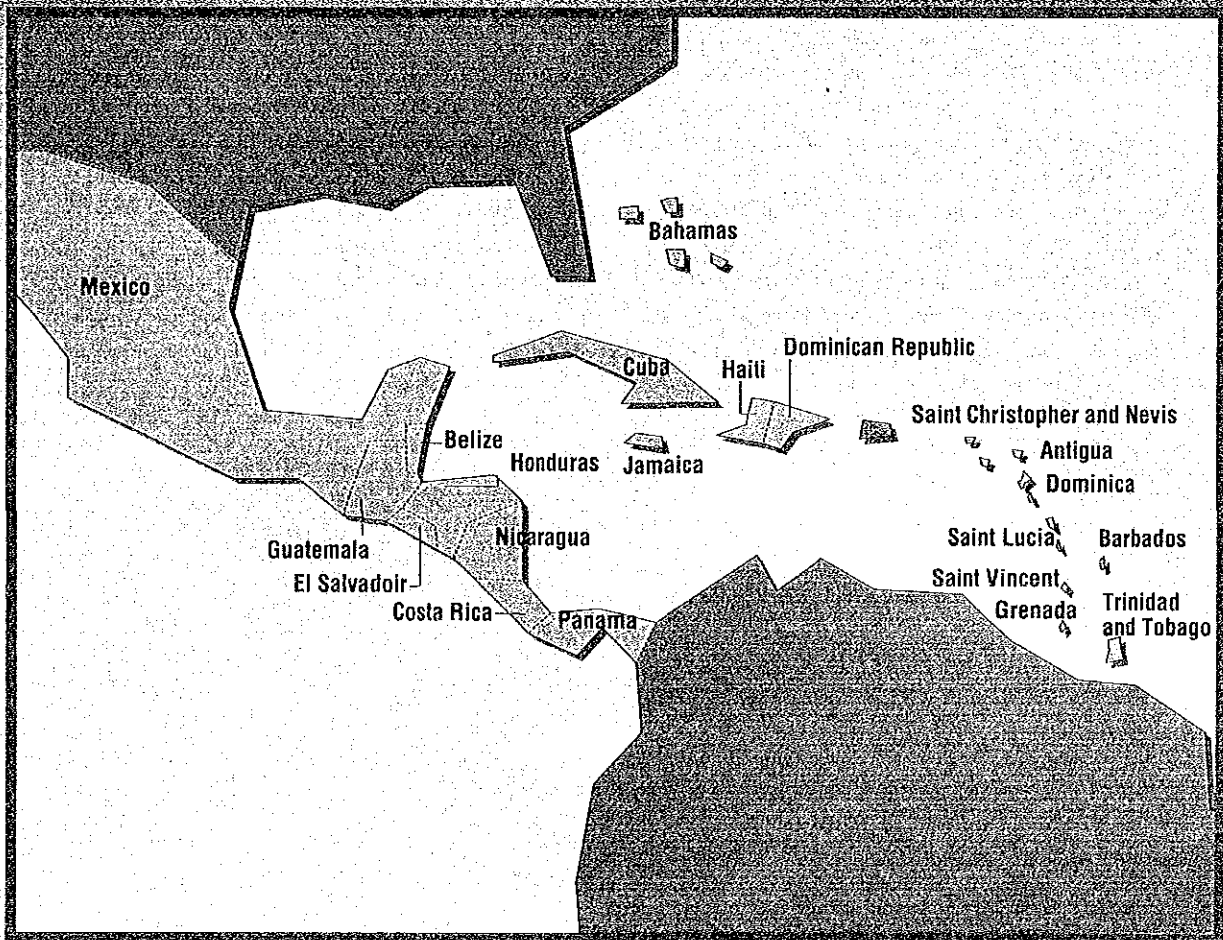
#### 5. Follow-up to the Prime Minister's Visit to Africa

In January 2001, then-Prime Minister Yoshiro Mori visited Africa as the first Japanese prime minister ever to do so. In his policy speech, Mr. Mori stated Japan's determination to tackle African problems by saying "There will be no stability and prosperity in the world in the twenty-first century unless the problems of Africa are resolved". JICA is planning to provide support by establishing real ownership of cooperation in Africa, promoting South-South cooperation, implementing measures against infectious diseases such as AIDS, and providing cooperation in the information technology (IT) area.

## Chapter 4



# 1. Central America and the Caribbean



# Current State of Development



Workshop held with local residents' participation as part of the JICA Partnership Program (Development of Agriculture and Local Community in South Baja California State) project design study (Mexico).

## Aiming for Small but Fundamentally Strong Countries

The Central American and Caribbean region comprises 21 countries, 8 in Central America and 13 in the Caribbean. It occupies an area of 2.96 million square kilometers, or 2.2% of the world's surface, and is home to 163 million people, or 3% of the world's population. The region has many small countries, of which 8 have land areas of less than 10,000 square kilometers and 9 (or about half the total) have populations of less than 1 million people.

The economies of most of the countries in this region are based on agriculture and are reliant on exports of primary produce. Although tourism is thriving in much of the region, with the exception of Mexico and a few other countries, manufacturing and other industries remain relatively underdeveloped. For

many countries in the region, remittances sent from citizens working abroad are compensating for balance of payments deficits. In addition, many countries are burdened with debts and are still in a process of restoration, even though their situation has improved in recent years, helped by the long economic boom in the United States. Domestic social and economic infrastructure\* must be strengthened in order to realize stable development into the future.

## Need to Firm Up the Bases for Peaceful and Safe Society

The civil conflicts that began in the late 1970s and racked Central America for more than a decade played havoc on the territories and economies of the countries involved. Neighboring countries felt repercussions in the form of inflows of refugees. A process of transition to

## Basic Principles of JICA Aid for Central America and the Caribbean

JICA will continue to provide cooperation in the fields of human resources development and nation-building to countries in Central America and the Caribbean, taking account of the following priority issues and self-help on the part of the recipient countries:

### 1. Promotion of regional cooperation utilizing South-South cooperation

In this region, relatively developed countries and those in difficult conditions are bonded by common languages such as Spanish and English, and there are increasing calls for the promotion of mutual cooperation. In addition, the necessity to improve the efficiency of aid in the world as a whole is intensifying, making support for South-South cooperation in this region an important priority. The countries of the region share many common issues; therefore, JICA will promote models of effective and efficient

regional cooperation projects that can be adapted and utilized by several countries.

### 2. Post-hurricane development

In October 1998, the Central American and Caribbean region was struck by a hurricane of unprecedented size, and in January 2001, a devastating earthquake hit El Salvador, both of which caused enormous damage. JICA will support the recovery and reconstruction plans of countries that fell victim to these disasters as well as strengthen disaster prevention capacities in this region in which many disasters occur.

### 3. Environment

Industrial and economic modernization and development, and concentration of population in metropolitan districts have been accompanied in this region by environmental problems such as air and water pollution and the generation of harmful waste products. Dealing with

these problems has become an urgent issue.

The region is blessed with forest areas of rich biological diversity and beautiful ocean, the preservation of which amounts to the safeguarding of natural assets for humankind.

### 4. Development after civil conflict

The civil conflicts that racked Central America for several decades severely damaged the region's social and economic infrastructure. Sectors particularly affected or in need of support include water supply and drainage, health and medical care, basic education and other areas bearing on people's everyday lives. Also needed are measures for the development of agriculture to produce a stable supply of food and economic infrastructure improvement in connection with roads, bridges, etc. The establishment of solid democratic institutions and the alleviation of poverty are also important issues that must be tackled.



civilian governments at last began to emerge in the early 1980s, and all the countries of the region, with the sole exception of Cuba, now have democratically elected governments. Furthermore, all the countries of Central America have now achieved peace following the signing of the Guatemalan peace accords in December 1996. However, the damage to the social and economic infrastructure of these countries is still being felt today: many countries have inadequate water supply facilities and are yet to attain adequate health and medical care and basic education. Donor\* assistance is essential if

## Tackling Priority Issues in JICA Programs

### Support for South-South Cooperation for Countries Leading the Region

Mexico, the country with the largest land area and population in Central America, has seen solid improvement in its status within the international community since the conclusion of the North American Free Trade Agreement (NAFTA) and its entry into the Organisation for Economic Co-operation and Development (OECD) in 1994. The nation has already begun its own cooperation, albeit on a small scale, with other countries in Central America and the Caribbean, and it has incorporated South-South cooperation into its policy. Mexico's new president, Mr. Vicente Fox, is making this policy clearer through his proposal for cooperation with the countries of Central America outlined in his "Pueblo-Panama Plan."

Therefore, with emphasis on Mexico, JICA is supporting cooperation with the countries of this region to further the implementation of effective cooperation in Central America and the Caribbean. Since 1998, JICA has been sending experts on South-South cooperation to

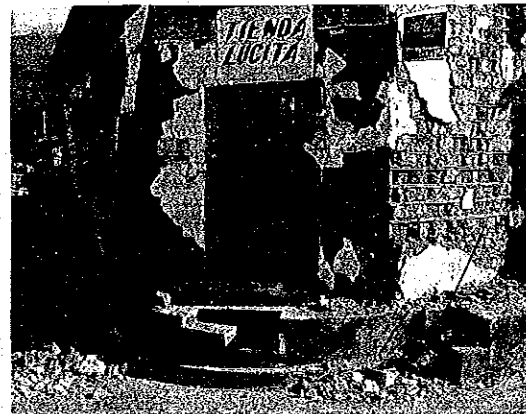
these countries are to solve these and other problems, including that of accumulated debt.

In addition, in fall 1998, Hurricane Mitch struck the Central American and Caribbean region, wreaking havoc on an unprecedented scale. Furthermore, in January and February 2001, devastating earthquakes struck El Salvador that resulted in massive damage. As demonstrated by these events, the region is highly prone to natural disasters, and cooperation for disaster prevention and reconstruction is strongly called for to overcome the threats posed by such events.



Counterparts showing the blood-sucking triatominae, which transmits Chagas' disease, to a resident while stressing the need for its eradication (Guatemala).

Mexico, and since July 2000 it has dispatched a team of experts that is assisting in efforts to strengthen the organization of the Mexican Institute for International Cooperation (IMEXCI), which could be considered as Mexico's equivalent to JICA. JICA is also implementing various third-country training\* programs in Mexico, among which is a training program on "mechatronics" that commenced in 2000 to foster technicians for countries in the region. In addition, JICA has



A town affected by the earthquake (El Salvador).

dispatched third-country experts\* on as many as 36 occasions.

The priority aid fields for Mexico (as provided for in agreements reached between Japan and Mexico) include South-South cooperation in addition to the environment, health care, industrial and regional development and education in occupational skills. In March 2001, in cooperation with the United States, a project formulation study\* team was dispatched to Mexico, and the mission later recommended the promotion of cooperation in the environmental field such as programs for biodiversity preservation on the Yucatan Peninsula and the reduction of urban pollution.

### Promoting Intra-regional Cooperation

The priority areas for aid to El Salvador are stimulation of the production sector, social development, the environment, democratization and economic stabilization.

Cooperation is being stepped up annually to support the reconstruction of countries in the region, now that peace has returned. In addition, given the necessity of promoting regional cooperation for effective development, JICA is carrying out cooperation (Dispatch of Technical Cooperation Experts) with Sistema de la Integración Centroamericana (SICA), which is expected to play a central role.

In January and February 2001, huge earthquakes hit El Salvador, causing unprecedented damage. JICA promptly dispatched Japan Disaster Relief Teams to the affected areas and conducted studies and seminars for cooperation aimed at recovery and reconstruction.

### Sure Steps Towards the Reconstruction of the Poorest Country in Central America

Nicaragua has the lowest per capita income in Central America, and a large proportion of its population

## Front Line

Sexual Health Program for Street Children

Mexico

Community Empowerment Program

### Protecting Children from AIDS

#### ◆ Children Involved in Prostitution and Narcotics Trading

In Mexico City, a metropolis with a population of 20 million, extreme economic disparities can be observed. Within walking distance of affluent city neighborhoods replete with theaters and mansions, bare-footed parents and children dressed in ragged clothes approach cars waiting at traffic lights to beg for change.

It is thought that over 15,000 children are living on the streets of Mexico City, having left their families due to extreme poverty and the collapse of the family unit. In reality, many of these children are earning their living by polishing cars parked on the street, or through prostitution or the narcotics trade.

#### ◆ Building a Relationship of Confidence with Children

Casa Alianza, an NGO working on the problem of street children in Mexico, has a shelter to accommodate children aged between 8 and 15 years old. The shelter provides the children with medical care, sex education and vocational training before ultimately sending them back home.

The JICA Mexico Office embarked upon a Community Empowerment Program\* that focuses on the AIDS problem of street children in December 2000. The project, which has been entrusted to Casa Alianza, is set to run for a period of three years. In the first stage, counselors specializing in areas such as nursing and psychology visit the dwellings of street children every day, checking their situation and health conditions, spending time with them, listening to their stories and building relationships of trust. After this, a survey is implemented to analyze the reasons why these children came to live on the streets, and to gain an understanding of their daily activities and needs for support. Some children come to the shelter voluntarily after talking to the counselors; indeed, it is the policy of Casa Alianza to wait for the children to present themselves.



Street children living with dogs on the street.

In the second stage, a workshop on sex education that provides information concerning AIDS as well as knowledge necessary for protection against the disease will be held for those children that come to the shelter. And in the third stage, in order to deal with the individual conditions facing each child, the children are provided with advice through continuous counselling as well as necessary medical and mental care. Through such support, it is expected that the children will not return to the poor living environment of the streets.

Although the project has just begun, children have already started to visit the shelter, and preparations are currently underway to hold the workshop on sex education.

(JICA Mexico Office)

is living in poverty. Like other heavily indebted countries, Nicaragua is trying to gain further cooperation from the international community by formulating, with the participation of the country's population, a "Poverty Reduction Strategy Paper\*." The priority areas for aid to Nicaragua are agricultural and rural development, health and medical care, education, roads and transportation infrastructure, support for democratization and disaster prevention. In the year 2000, with the objective of disaster recovery and strengthening of disaster prevention capability, the Master Plan Study on Forest Management for Disaster Prevention in the Northern Pacific Region (Development Study) and the Project for Strengthening of the Local System of

Integral Health Care (SILAIS) of Granada (Project-type Technical Cooperation) were commenced.

## Providing Sufficient Administrative Services to Areas with Large Indigenous Populations

In Guatemala, since the signing of the peace accords between the Guatemalan government and the Unidad Revolucionaria Nacional Guatemalteca in December 1996, efforts have been made for the recovery and development of democratic politics. In March 2001, JICA implemented a project confirmation study based on policy discussions, and it consequently confirmed the importance of agriculture, in addition to five priority

### Front Line

Vocational Training

Guatemala

## Aiming to Increase Employment Opportunities for Workers

Dispatch of Technical Cooperation Experts and JOCV

### ◆ Increasing Unemployment is a Social Problem

In Guatemala, where development of secondary industry was limited due to the long-lasting civil conflict, it was impossible to change the industrial structure to absorb the labor force. In addition, towns are flooded with the unemployed as the country has been unable to cope with rapid population increases in recent years and a rapid influx of ex-soldiers and indigenous population after the peace accords. This has become a social problem.

The government is promoting many measures to deal with this issue, with the central role being played by the Technical Institute of Training and Productivity.

### ◆ Regular Visits to Enterprises

The Technical Institute of Training and Productivity is made up of the headquarters, 15 local offices, and 19 vocational training centers. The total number of staff is about 1,900 and the institute receives its funding through contributions (1% of the monthly salary of workers) from private companies. More than 150,000 people receive training every year. The institute's main operations are: (1) implementation of vocational training; (2) support for companies and organizations; and (3) provision of technical information. Vocational training is conducted using the "Module Training Dual System."

The institute operates an introductory training course and a skills-improvement course for those who are working, which last between one and six months. On the other hand, a training course for young people aged over 14 years who have graduated from elementary school runs for between one and three years. In addition, as part of support efforts aimed at companies and local communities, short courses and mobile training are carried out for domestic industries all over the nation.

The Technical Institute of Training and Productivity is working to increase opportunities for workers to receive vocational training through the construction of a new training system, and JICA is putting emphasis on cooperation for the development of training programs and teaching materials as well as the provision of technical information. Specifically, JICA is providing Technical Cooperation for the



Graduation ceremony at one of the Vocational Training Center's facilities for culinary training.

establishment of the "Guatemalan Vocational Training System," which is modeled on "human resources development based on systems for fostering lifelong vocational abilities," developed in Japan. Experts are visiting companies at least twice a week with local counterparts, carrying out consultations on human resources development, providing support and holding seminars.

### ◆ Working to become a leader in vocational training in Central America

Among the objectives set by the Technical Institute of Training and Productivity for the 21st century is one that aims "to construct the best vocational training center in Central America and to become a regional leader in vocational training by the year 2002." Japan's cooperation in the field of vocational training is proceeding steadily through Dispatch of Japan Overseas Cooperation Volunteers (JOCV), short-term Experts, and long-term Experts as well as provision of equipment through Grant Aid cooperation.

JICA is promoting active cooperation toward the realization of the Technical Institute of Training and Productivity's goals.

(JICA/JOCV Guatemala Office)

areas for aid, namely, education, health and hygiene, infrastructure development, security, and administrative and legal systems. Regarding education, JICA is assisting with the training of administrators in local education through the Dispatch of Technical Cooperation Experts, country-focused training, and the Dispatch of JOCV to support the "Dissemination of Elementary Education among Girls from the Indigenous Population," a field of the U.S.-Japan Common Agenda\*. In health care, experts and JOCV have been sent to promote measures for the prevention of infectious diseases such as Chagas' disease. And in the agricultural field, JICA is implementing the "Study on Integrated Rural Development for the Reduction of Poverty in the Central Highland Region" (Development Study).

### **Aiming for Effective Cooperation**

After Nicaragua and Haiti, Honduras is one of the least developed countries in the region. It has extensive development needs, partly due to massive damage sustained as a result of recent hurricanes. Japan is providing aid in many forms. The priority areas for Japanese aid are upgrading of infrastructure, improving basic living standards, encouraging key industries such as agriculture and fishing, and human resources development. As development indicators have been at low levels until recently, despite relatively large inflows of aid from individual countries and international organizations, a keen awareness has developed of the need to put emphasis on more fundamental human resources development. Honduras is one of the countries that is attracting attention concerning whether or not a "Poverty Reduction Strategy Paper" can really serve the interests of a country's people.

In the year 2000, JICA started the "Reproductive Health\* Project in the Health Region No. 7" (Project-type Technical Cooperation), the "Integrated Development Project for Subsistence Level Women" (Community Empowerment Program) and the "Development of Nursing Personnel" (Dispatch of Technical Cooperation Experts). JICA also carried out a project formulation study on future cooperation in elementary education. In addition, JICA is providing continuous support for disaster prevention, one example

being the Study on Flood Control and Landslide Prevention in the Metropolitan Area (Development Study), which is an area especially prone to disasters.

### **Unique Efforts Leading the Region**

Costa Rica has high educational levels and a well-organized social security system. It is recognized as one of Central America's most stable democracies. The technical capabilities of the "Technical Instructor and Personnel Training Center for Industrial Development of Central America" were strengthened through Grant Aid cooperation, Project-type Technical Cooperation and third-country training implemented by JICA. The "Project on Productivity Improvement for Enterprises" (Project-type Technical Cooperation) commenced in January 2001, with the aim of improving the Center's company consulting capabilities in order to increase its value within the region. In addition, through the "Prison Living Conditions and Project for the Correction of Criminal Offenders" (third-country training), Costa Rica is building on its unique status as a leading provider of cooperation in the region, as well as being a recipient of Japanese cooperation.

### **Wide-ranging Development Centering on the Panama Canal**

The year 1999 was a momentous one for Panama, with a change in regime and the return of the Panama Canal by the United States. In the course of a project confirmation study that was conducted by JICA for the new regime, it was confirmed that emphasis would be placed on rectification of regional and wealth disparities, sustainable economic development, environmental conservation and support for the canal and its environs. In Panama, environmental conservation including forests that leads to the preservation of the water sources of the canal is an important issue, and in response JICA has implemented the "Forest Conservation Technical Development Project" (Project-type Technical Cooperation) as well as the "Panama Canal Watershed Conservation Project" (Project-type Technical Cooperation), which commenced in 2000. In addition, JICA is working in priority fields through such projects

## **II**

### **Chapter 4**

#### **Latin America / Central America and the Caribbean**

as "Investment Promotion Planning," "Environmental Mining Engineering" and "Empowerment of Agricultural Education for Local Producers" (Dispatch of Technical Cooperation Experts).

### **Various Projects in the Caribbean**

The countries of the Caribbean are mostly small in size and population, and many have gained their independence in relatively recent years. However, Japan does not have a strong record of cooperation in these countries because of their relatively high per capita income and the small scale of their economies. Cooperation with the Caribbean region, with its large number of small nations that are highly similar, needs to involve support on a regional basis in connection with common development issues, employing the resources of local organizations such as the Caribbean Community and Common Market (CARICOM). A typical example involves JICA's response to destruction caused by recent hurricanes. Experts were dispatched to Caribbean disaster prevention organizations and a fact-finding study on expansion of cooperation was implemented in 2000. In the same year, in the field of fisheries, which has high potential for development, JICA dispatched a project formulation advisor\* to the region who was charged with searching for possibilities for cooperation that could have region-wide benefits, such as the "Fishery Training Project" (Project-type Technical Cooperation), and provide country-specific guidance.

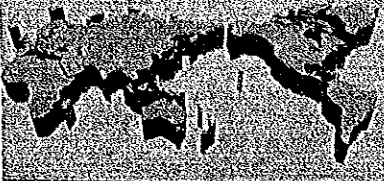
Jamaica is the largest of the English-speaking Caribbean countries, and relations between Japan and Jamaica have been growing closer every year. Cooperation is currently occurring in both the loan assistance\* and Technical Cooperation spheres. JICA is pouring its efforts into the "Project for Strengthening Health Care in the Southern Region," the "Technical and Vocational Educational and Training Improvement Project at Technical High School" (Project-type Technical Cooperation) and the Dispatch of JOCV.

The Dominican Republic is home to many immigrants from Japan and ethnic Japanese. Wishing to realize wide-ranging development with the active participation of immigrants and ethnic Japanese, JICA is providing cooperation, particularly in the fields of agriculture, education, and health and medical care. It was confirmed that priority issues would be improvement of infrastructure, health and medical care, promotion of agriculture, livestock farming and fisheries, education and the environment. From the year 2000, a start was made in agriculture, a field that has traditionally had priority, with the "Study on the Integrated Rural Development of Former Sugarcane Plantation Area and the Pilot Project of La Luisa, Monte Plata Province" (Development Study) and the "Technology Project for Irrigated Agriculture" (Project-type Technical Cooperation). Regarding the environment, cooperation is expanding, as seen in the "Master Plan Study on Watershed Management in the Upper Area of the Sabana Yegua Dam" and the "Improvement of Sewage System and Environment in the City of Santiago" (Development Study).



Children in Haiti. Following efforts in medical care and agriculture, experts in the field of development planning have been helping with nation-building since 1999.

# Chapter 4



## 2. South America



# Current State of Development

## A Region with a Long History of Japanese Immigration

Comprising twelve countries, South America covers an area of 17.22 million square kilometers, or roughly 13% of the world's surface. It has a population of 310 million (or around 6% of the world's population). The region has high agricultural production capabilities and rich underground resources.

Japanese emigration to South America has a long history. Many people of Japanese descent, both permanent and temporary residents, live in Brazil, Peru, Argentina, Paraguay and Bolivia. Ever since diplomatic relations were first established with Peru in 1873, Japan has maintained close links with South America. There has been a constant exchange of prominent people between the two, and many Japanese companies have evolved their business activities into the region.

## Overcoming Economic Difficulties

During the 1960s and 1970s, many countries in South America attempted to modernize by borrowing funds



Children of the model area for the "The Project on Conservation of Environment and Rural Development with Farmers' Participation for the Mediterranean Dryland Zone of Chile", which aims to alleviate poverty in the dry inland areas (Chile).

from developed countries and private financial institutions. However, as the 1980s got under way, these countries saw deterioration in their international balance of payments, and they found it difficult to repay their loans because of a drop in the prices of primary products and a rise in international interest rates. Thus, the economies of many South American countries faced crisis.

This led to the creation of a debt reduction agreement in 1993 based on a new debt strategy\*, known as the Brady Plan, in almost all debtor countries. With the support of the World Bank and the IMF, structural reforms have been implemented, involving reduction in the size of government, privatization of state enterprises, and liberalization of economic relations with other countries. As a result, the South American economy returned to the path of recovery during the 1990s, and South America has now become one of the main centers of world growth.

Since the early 1990s, moves toward regional economic integration have been picking up, as seen in the Mercado Común del Sur\* (MERCOSUR: Argentina, Brazil, Paraguay and Uruguay as official members) and

## Basic Principles of JICA Aid for South America

South America contains such countries as Argentina and Brazil, which have high levels of development and medium to high ratings by the Development Assistance Committee\* (DAC). These countries share important aid fields, such as environmental conservation (conservation of the Amazon rain forest, etc.) and measures to combat air and water pollution in major cities. Japan is actively supporting South-South cooperation\* in the region following the conclusion of Partnership Program\* agreements with Chile and Brazil. These agreements will serve as a basis for cooperation with Latin America and

the Portuguese-speaking nations of Africa.

In those countries with low indicators for social development, such as Bolivia and Paraguay, improvements in health and medical care, agricultural development, and the development of infrastructure\* are among the priority issues. In addition, even in the medium or high income countries, there are wide imbalances of income and wealth between different regions, and support for the underprivileged and local development are the common issues for South America.

This region has large numbers of Japanese

emigrants and ethnic of Japanese. JICA is actively promoting the acceptance of participants from this community for training in Japan, as well as improvement of economic and social infrastructure that benefits ethnic Japanese society. JICA is also promoting the use of ethnic Japanese researchers and engineers in South-South cooperation.

In recent years there has been a conspicuous move toward regional economic unification, as evident in MERCOSUR. JICA is planning and providing cooperation designed to support this development.

the Community of Andean Nations (with Venezuela, Colombia, Peru and Bolivia as official members). In addition, dialogues are being held with a view to forming the South American Free Trade Area (SAFTA) and the Free Trade Area of the Americas.

## Industrial Development and Serious Internal Disparities

South America consists of countries with flourishing primary industries underpinned by rich natural resources, and in countries such as Brazil and Argentina industrialization is already well advanced. Many are classified by the World Bank as middle-income countries. However, there are several, like Bolivia, where the income level is low and social infrastructure is still inadequately developed.



A senior volunteer giving instruction in low-cost farming (Paraguay).

But even in the middle-income countries, there are major problems of poverty arising out of income disparities within the individual countries, and against

### Front Line

Païta Fisheries Training Center's "Assembly and Operativity of Long Lines" Course

Peru

Local In-country Training

### Bringing Rich Marine Resources to Peruvians' Tables

#### ◆ The Second Largest Catches in the World

The amount of fish caught in Peru is larger than that of Japan and is the second largest in the world following China. However, most of the catch is common fish, which is exported abroad as material for fish powders used in manufacturing feeds. Because of this, people engaged in small-scale fishing cannot increase their income sufficiently to stabilize their lives. In addition, although marine products are important as a source of protein, many poor people do not have the opportunity to eat fish.

The Païta Fishery Training Center (CEP-PAITA) is a new organization that teaches new skills to those engaged in fishing, with a view to increasing the catch of small-scale fishermen. The aim is to increase the amount of fish caught for eating, as well as opportunities for Peruvians to eat fish.

At the center, training courses lasting several months are being implemented that give guidance on navigation techniques, detection of fish groups and various fishing techniques and methods (such as long-line fishing and gill net fishing) to small-scale fishermen and students wishing to enter the fishing business from all over Peru. Considering the geography of Peru, which faces the Pacific Ocean with a coastline stretching over 2,000 kilometers from north to south, demand for the training from the people wishing to acquire techniques is continually increasing.

#### ◆ Creating the Special Intensive Training Course for Instructors

JICA's cooperation with the center has been longstanding, beginning with the commencement of construction of the main facilities through Japan's Grant Aid scheme. In addition to CEP-PAITA, there are many fishery-related organizations, instructors and extension workers all over Peru. The center is offering a special intensive training course, "Assembly and Operativity of Long Lines" course, a local in-country training course, for these instructors together with JICA.

This course is open to a variety of persons ranging from teaching



Fishermen and students from all over Peru studying fishing techniques at the Center.

staff at universities and vocational training schools to researchers at marine research institutes, and the strong competition within these institutions for nomination to attend the course reflects the high expectations of the people concerned.

While the majority of participants for the course in the year 2000 came from the coastal area, there was one trainee from the local office of the Ministry of Fishery in Iquitos, which is an inland town located along the Amazon River. We were more than surprised to realize that the fishing methods used for sea fishing can also be used in the wide Amazon, even at a location where the river is near to its headwaters.

While bearing in mind the richness of the Amazon River, we are hoping that the results of the training will be spread throughout the country so that its rich fishing stocks will not be depleted, but rather maintained as a food source for as many Peruvians as possible.

(JICA Peru Office)



this backdrop many are also affected by the drug trade and the deterioration of safety. The increase of criminal activities in urban areas caused by the inflow of impoverished people, drug-related crime, terrorism and development of an underground economy are hampering the stabilization of politics, economy and

society throughout South America.

South America is a treasure trove of ecosystems, most notably the Amazon rain forest. Conservation of these ecosystems is a matter of worldwide interest. At the same time, air quality in the big cities is steadily deteriorating due to the concentration of the population.

## Tackling Priority Issues in JICA Programs

### Active Cooperation with Environmental Conservation

Japan is providing Project-type Technical Cooperation to support conservation of the Amazon rain forest, a subject that is currently provoking international interest. We are also planning to provide cooperation for conservation of the precious eco-system of the Galapagos Islands. Further, we are providing Project-type Technical Cooperation in connection with air and water pollution, waste disposal and other problems in major cities such as São Paulo in Brazil and Santiago in Chile, and with the problems of mining pollution, which is a by-product of mining the rich mineral resources of the region.

We are also planning to help strengthen the system for observing the destruction of the ozone layer, a problem that has been attracting increasing attention in recent years.

### Eradicating Poverty and Rectifying Regional Disparities

People living in the mountainous districts of the Andes that stretch through northeastern Brazil,



An expert giving guidance on the production of moulds (Brazil).

Ecuador, Peru and Bolivia exist in conditions of extreme poverty. The flow of population from these districts into the big cities, and the cultivation of plants used to produce narcotics, have emerged as serious social problems.

Japan is providing Bolivia with Grant Aid and Project-type Technical Cooperation with emphasis on health and medical care. In recent years, under the least among less developed countries (LLDC) support initiative led by the World Bank and the International Monetary Fund (IMF), Japan is actively providing cooperation on health and medical care, education and the development of infrastructure, based on the Poverty Reduction Strategy Paper\* (PRSP) formulated by the government of Bolivia, and in cooperation with other donors\*.

Japan is providing Project-type Technical Cooperation for public hygiene and maternal and child health in northeastern Brazil, and in Peru, with special attention paid to the underprivileged who stream into urban areas, Japan is implementing a Community Empowerment Program\* project that focuses on occupational training for women in Lima.

## Promotion of Environmental-friendly Agriculture

South America, and in particular Brazil's Cerrado and Argentina's La Pampa, have rich farming land that makes them granaries of the world. Japan previously provided cooperation aimed at increasing agricultural production in this region, and as a result of these efforts, soy beans and corn produced in this region are contributing significantly to the stable supply of food throughout the world. But the focus has shifted in recent years to the promotion of environment-friendly agriculture and the eradication of poverty through cooperation aimed at small-scale farmers. Japan is also actively cooperating with Paraguay, which is lagging behind the other countries in regional economic integration (MERCOSUR), and with Bolivia, which is among the poorest countries of the world, in improving manufacturing technologies for agricultural products and distribution systems, with a view to increasing their agricultural competitiveness.

## Strengthening the International Competitiveness of Industrial Products

A feature of South America is the presence of

many countries, such as Brazil and Argentina, which have already undergone the process of industrialization earlier in their history. However, the trend over recent years toward globalization of economies and regional economic integration has meant that strengthening of international competitiveness, in connection with industrial products, has become an important issue. Principally through the dispatch of individual experts, Japan is cooperating with several countries (including Brazil, Chile and Colombia) to improve quality control and enhance productivity. In Brazil and Paraguay, JICA is providing Project-type Technical Cooperation to foster technicians in industrial fields.

## Increasingly Detailed Support for South-South Cooperation

Chile and Brazil, both with relatively developed economies, are implementing their own South-South cooperation in South America. Japan, for its part, is providing support for third-country training\* under which these countries invite participants from neighboring countries to take part in training courses. Matters have been taken further in recent years: Chile, Brazil and Argentina have now concluded Partnership Program agreements with Japan to work as equal partners in cooperating with other developing countries.

### Front Line

Technical Cooperation with the Farming Research and Development Program of Pejerrey

Argentina

### Successful Return of the Pejerrey Through Various Forms of Cooperation

Dispatch of Technical Cooperation Experts

◆ **Decrease in Number due to Irregular Weather and Rampant Fishing**  
The pejerrey (*Odontesthes bonariensis*) is a freshwater fish living in the inland water areas of Argentina. It was brought to Japan in 1966 by an ethnic Japanese living in Argentina, and many studies were carried out, principally by Kanagawa Prefecture and the Tokyo University of Fisheries, to establish technology related to reproduction and such issues as the pejerrey's living behavior and environment. As a result, technology for farming the fish was established.

In recent years, it has been thought that irregular weather is affecting the propagation of the fish. Also due to rampant fishing, the number of pejerrey is decreasing. The government of the province of Buenos Aires in Argentina took this decrease very seriously and has been working on the farming of the fish. However, basic research on its physiology, living habits, breeding, and propagation has not been progressing smoothly.

Argentines traditionally like to eat meat, but awareness of the benefit of eating fish, as a countermeasure against adult diseases, has been heightened. Because the pejerrey is the most popular fish in the

country, it is expected that the establishment of farming and propagation technologies will help promote the consumption of fish.

◆ **Local Governments and JICA Cooperate with Each Other**

Against this backdrop, this project was begun using a dispatch of individual experts in order to return fertilized eggs of domesticated pejerrey in Japan to Argentina. The project will be expanded with the dispatch of expert teams in the future.

This project—which involves transfer of propagation technology that was developed in Japan using pejerrey brought into the country by a Japanese emigrant—is a significant example of aid activities implemented in coordination with local governments. The project involves collaboration between JICA and the Kanagawa prefecture, which carried out the research on propagation techniques for the pejerrey and established breeding technology, as well as coordination between Japan's Emigration Service Program and cooperation in fisheries technology.

(JICA Kanagawa International Fisheries Training Centre)

As examples of activities under these partnerships, we are providing cooperation with Chile that combines third-country training and dispatch of third-country experts\* in the areas of agricultural and stock farming hygiene in Bolivia and fisheries in Cuba. Also, in partnership with Brazil, we are providing cooperation in the fields of health and medical care and agriculture for the Portuguese-speaking countries of Africa, such as Mozambique and Angola.

### **Support for Japanese Ethnic Communities and Use of Ethnic Japanese Experts**

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Many people of Japanese ancestry, both first-generation immigrants and those whose families have been in South America for two or more generations, live in Brazil, Peru, Argentina, Paraguay and Bolivia. Their activities have contributed significantly to the development of their adopted countries and to the shaping of the image of Japan held by their compatriots.

When Japan provides cooperation to these countries,

it takes into account how its activities will benefit the ethnic Japanese community. Japan also makes use of talented individuals from this community to serve as third-country experts and in other capacities within Japanese Technical Cooperation.

### **Cooperation and Collaboration with Local Authorities**

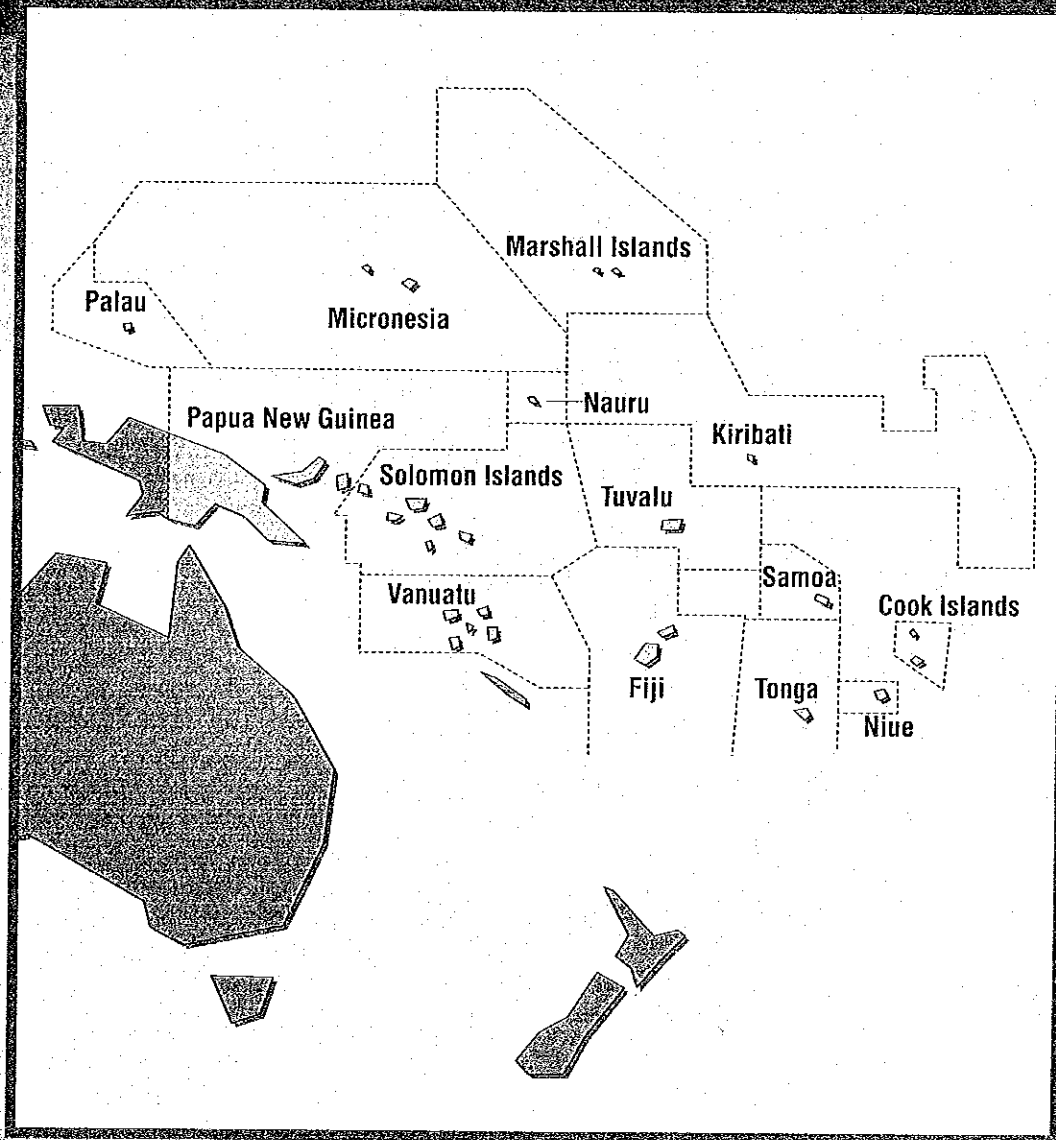
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Partly due to the existence of many Japanese immigrants in South America, the active exchanges between local communities in Japan and those in South American countries have been carried out. Against this backdrop, JICA is actively promoting cooperation with local Japanese authorities as part of its efforts to promote programs that involve public participation. In Peru, JICA is providing cooperation for the transfer of "Nanbu Tekki" skills in collaboration with Iwate Prefecture, and we are planning to provide cooperation in the field of health and medical care for Okinawan immigration areas in Bolivia with Okinawa Prefecture.

# Chapter 5



# Oceania



# Current State of Development

## An Assembly of Small Countries

The individual island nations of Oceania have small national territories, populations and economies. The main feature of their economic structure is a strong dependency on primary industries. This structure is a fragile one that is easily upset by weather conditions and fluctuations in international prices. Many problems remain to be tackled if these countries are to achieve any degree of economic autonomy. These problems are related to the fact that the countries themselves often consist of large numbers of islands, the small size of their domestic markets, and the inadequacies of transportation and communication links to compensate for these disadvantages.

Relations between these countries with their former sovereign powers are generally close, but the sluggishness of the Australian economy has meant that Australian aid, which is directed particularly at Papua New Guinea, has tended to decrease. Since the early 1990s, growth in bilateral aid\* and multilateral aid\* to developing countries in Oceania has also remained stagnant. Following achievement of independence from the United States, the three nations of Micronesia (the Federated States of Micronesia, Marshall Islands, and Palau) have been receiving financial aid in the form of



A member of JOCV teaching mathematics to elementary school students (Micronesia).

“compact money” based on the Compact of Free Association with the United States, which accounts for between 50 and 70 percent of government revenue.

Against this backdrop, establishing economics that are no longer reliant on aid is an important issue for the island nations of Oceania. Efforts are thus being made to increase cooperation within the region so that all the countries can respond to common issues such as reducing the size of their public sectors and stepping up private investment in order to stimulate their main industries of farming, fishing and tourism.

There are many issues that affect the region as whole: environmental problems, including climatic change and rising sea levels; and the development of inter-island transportation and communication. It is therefore essential to adopt a comprehensive approach to the region.

In April 2000, the second Japan-South Pacific Forum (currently known as the Pacific Island States Forum) Summit (Pacific-Islands Summit) was held in Miyazaki City. At the summit, heads of states discussed such issues as the sustainable development\* of island states, environmental issues such as climate change and rising sea levels and the digital divide\*, and they agreed on a construction of a comprehensive partnership and

## Basic Principles of JICA Aid for Oceania

The main issues facing Oceania are economic independence, environmental protection and resources management, education and health care.

For economic independence, it is necessary to improve ports, airports and roads, and therefore JICA is carrying out cooperation on these kinds of economic infrastructure\*. In addition, the natural environment (coral reefs, etc.) and the main industries of tourism and fishing are closely

connected. Thus, development that satisfies both the preservation of the environment and advancement of industry is required.

Furthermore, in these countries, which have small populations and no large industries, the improvement of education to foster human resources will advance national development. In this context, JICA is implementing cooperation in the fields of education and vocational training.

Infectious diseases such as malaria and tuberculosis are also serious issues. In addition, lifestyle-related diseases caused by changed dietary habits are taking on greater significance. To tackle these issues, JICA plans to promote cooperation in the field of health care from the viewpoint of preventative medicine.

cooperation and on the basic directions for work in priority areas. These issues should be tackled on a mid to long-term basis in the framework of bilateral and

multilateral cooperation, and JICA is planning to formulate and implement aid taking full consideration of the results of the summit.

## Tackling Priority Issues in JICA Programs

### Two Priority Issues

Every country in Oceania differs in respect of its geographic and economic size, ethnic composition, population, availability of natural resources, traditional social foundations, way of life and the capacity of government to formulate and administer development



In-house seminar attended by a group of Fijian government officials invited to Japan through the Youth Invitation Program and Japanese young people.

plans. Finely tailored aid in line with the specific development needs of each country is therefore required.

However, since all these countries gained their independence only relatively recently and are dependent on primary industries, they do clearly have some points in common, such as the need for human resources development. In addition, it is important to

### Frontline

Fisheries Training Project

Micronesia

Project-type Technical Cooperation

### Attempting to Raise the Standard of Fisheries Training Through Dispatch of Long-term Experts

#### ◆ Trying to Promote Tuna Fishing

Micronesia, which is composed of small islands sparsely situated over a wide area, has few natural resources and, partly due to the geographical conditions of this island state, it has had difficulty fostering industries. In this context, fishing is one of a small number of industries that can realistically be expected to develop.

The government of Micronesia has long been aware of the importance of fostering the fishing industry, and it has been making efforts to promote commercial fishing centering on tuna, partly by establishing a fisheries corporation. However, tuna fishing in Micronesia is currently dominated by foreign vessels that pay fishery license fees, and the independent operation of tuna fishing boats has not seen significant progress.

#### ◆ Implementation of an On-the-job Training System

Against this backdrop, in 1999, the first fisheries training institute in the country, the "Micronesia Fisheries and Maritime Institute (FMI)," was established, and Japanese Project-type Technical Cooperation began with the objective of improving the Institute's management system and level of training. This effort, which is scheduled to continue for three years from August 2000, involves cooperation in the three areas of fisheries, navigation and engines. Four long-term experts, including a chief advisor and coordinator, have been dispatched under this project.

Technical guidance on the operation of the training courses is

being given to the teaching staff of the institute through on-the-job training, with chief emphasis on the production of teaching and supporting materials and the formulation of internship training and guidance. The objective of the project is to bring teaching staff members to a level that will sufficiently equip them to carry out the beginners course (ESS/BSS) as well as the Class 5M/E course set by the International Maritime Organization (IMO).

#### ◆ System of Cooperation Gradually Improved

There are many elements that hinder the project's smooth operation. These include: a) the fact that one needs several months' experience operating on the sea to progress to the next step; b) the fact that it takes time and money to travel from the eastern states to the project site on Yap Island, which is situated on the western edge of Micronesia—about 800 kilometers away from the eastern states; and c) the fact that the federation is comprised of four states that have a high degree of independence. However, the system of cooperation with the parties concerned is gradually being improved and receiving recognition. Micronesia and Japan have a close historical relationship, and the project environment is favorable. Therefore, by coordinating our efforts with the staff of the FMI, we believe we are taking a significant step toward strengthening the educational institutions that will serve as the basis for Micronesia's future.

(JICA/JOCV FSM Office)

provide support that enables these countries to overcome the limiting factors that distinguish insular nations (i.e., isolation, small size and fragility).

There are two priority issues that affect virtually all the countries in this region, the first of which is support for economic self-reliance, and the second is environmental conservation and the appropriate management of resources for sustainable development. When providing aid, efforts are needed to formulate effective cooperation projects that will bring benefits to the region as a whole. At the same time, it is necessary to work closely together with other donors\* that possess knowledge of island nations and international organizations active in the region.

### Support for Economic Autonomy

As regards support for economic autonomy, personnel training for nation-building must be combined effectively with upgrading of infrastructure for the development of basic institutions.



A JOCV nurse working to prevent lifestyle-related diseases (Micronesia).

Cooperation with personnel training is being regularly provided through the Dispatch of Japan Overseas Cooperation Volunteers (JOCV) and the Acceptance of Training Participants with a view to creating a body of qualified people to work in economic management and other leading industrial fields. Grant Aid is also going toward improvements and expansion at the University of the South Pacific in Fiji, the Papua New Guinea University of Technology and the National University of Samoa.

## Front Line

Teaching Science and Mathematics

Fiji

Dispatch of JOCV

### Starting a Computer Class on a Remote Island

#### ◆ The Only Foreigner on the Island

Fiji offers the image of an island country in the South Pacific, but on a smaller outer island of Fiji, one JOCV is working as a science and mathematics teacher. In addition to those characteristics of remote islands such as delayed infrastructure development and a shortage of daily materials, the fact that he is the only foreigner living on the island sometimes causes him to feel depressed during his long stay on the island. Nothing is more precious than a letter from his fellow JOCV working under similar conditions in other countries. E-mail is becoming a principal method of communication these days, but hand-written letters have their own advantages.

#### ◆ Beyond Teaching Science and Mathematics

At the beginning of his stay, he was rather bewildered by having to teach in English; he even asked his students to teach him English in exchange for his teaching them physics and mathematics. This was how he started his two-year term of assignment. However, after six months he started to feel comfortable with his life and activities, and to feel strongly that he wanted to extend himself beyond his role as a science and mathematics teacher. At the school there were about 10 old-style personal computers that had been donated by an American company, and it was around this time that he started thinking about teaching his students how to use them. Fortunately, the school was cooperative and it managed to find money in its small budget to purchase a generator and to renovate one classroom into a computer room. One year after his arrival, he managed to start the computer class.



A member of JOCV teaching a computer class.

Even in Fiji, people living in urban areas have mobile phones and use personal computers just like people in advanced countries. However, in rural areas such as remote islands, people are leading a lifestyle in which electricity is not available 24 hours a day. The JOCV says that when he comes to the city during school holidays, he feels as if he is traveling several decades into the future. In order to ensure that this gap in living environments does not become a handicap in the future (for example, when the students on the island go to work in the city), he thinks it is important to teach students how to use computers.

(JICA Fiji Office)



In Vanuatu, only 10% of all households have electricity. With Japanese cooperation, fifty solar panel sets were installed in each of four villages.

In addition, the development of human resources in the field of information technology (IT) is another future agenda from the viewpoint of closing the digital divide.

From the standpoint of upgrading the bases for key industrial development, infrastructure improvement is occurring in the fields of communications and broadcasting, transportation, and electric power and roads, so as to reflect the needs of island nations. Cooperation is also occurring with emphasis on fishing, marine transportation and resource development in connection with fish breeding, promotion of the small-scale fishing industry, compilation of marine charts, shipping inspections and exploration of seabed mineral resources.

### Support for Environmental Conservation and Use of Resources

In terms of environmental conservation and appropriate management of resources to enable sustainable development, JICA aims cooperation directly at environmental conservation measures, such as preservation of coral reefs and waste management, to deal with such issues as the decay of seashore ecosystems, the indiscriminate catching of certain types of fish, the felling of tropical forests and improper handling of wastes. One example of cooperation in this area is the Palau International Coral Reef Center (a U.S.-Japan Common Agenda\* project), which was finished with Japanese Grant Aid in the year 2000. The center is expected to become an international base for coral reef preservation and research, and diverse Technical Cooperation activities are underway, including selection of points for long-term monitoring, building of an aquarium to be established next to the center and implementation of educational activities.

### Further Results Through Cooperation and Linkage with Other Organizations

An example of cooperation that has benefited the region as a whole is a Grant Aid project being implemented for the University of the South Pacific, which is a base for higher education in Oceania, involving the provision of facilities for remote education that makes use of marine research facilities and satellites (a joint project with New Zealand and Australia).

Other examples of such cooperation conducted through international organizations active in the region include Grant Aid to the educational and training center of the South Pacific Regional Environment Programme's (SPREP) headquarters and region-wide Technical Cooperation for the proper management of wastes.

In addition, JICA is carrying out cooperation and establishing links with other aid bodies and international organizations. In Fiji, JICA and Australia began a joint project to disseminate knowledge on health care in January 1996—this was the first joint aid activity carried out by the two sides. In Papua New Guinea, JICA is cooperating with Australia in a number of fields, including subterranean structural analysis of the Rabaul volcano aimed at reducing damage caused by volcanic eruptions, expanded preventative vaccination and maternal and child care. The two sides are currently starting an aid coordination process connected with the sector program approach in the health care sector.



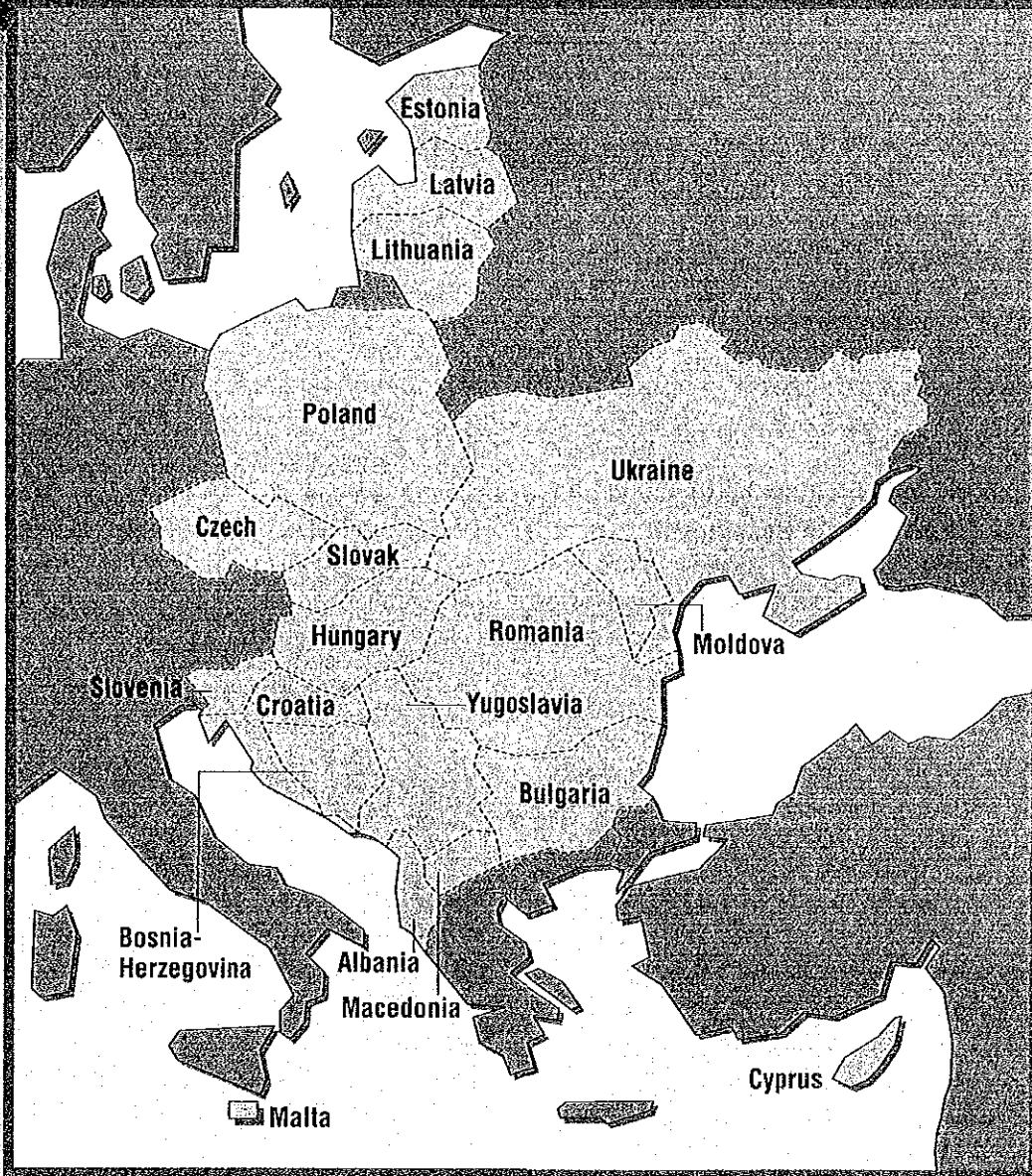
Shellfish for appreciation and for eating are an important resource for countries in Oceania. "Promotion of Shellfish Aquaculture" (Dispatch of Technical Cooperation Experts).



# Chapter 6



# Europe



# Current State of Development

## Support for Democratization and Socioeconomic Reform

For many years after World War II, the countries of Central and Eastern Europe had communist regimes that were essentially satellites of the Soviet Union. Human rights and environmental problems became serious matters of concern under their centrally planned economic systems. Since the 1980s, the inefficiency of economic management under such systems has led to their inevitable collapse.

In 1989, Poland and Hungary led the way away from communism by introducing market economies. They were joined by other countries of Central and Eastern Europe in democratization and economic and social reform.

The industrialized nations welcomed these reform efforts and began to provide support within a framework presented at a July 1989 meeting of the Group of 24 to coordinate assistance to Central and Eastern Europe. The G24 group consists of 24 nations including the 15 members of the European Union (EU), Japan, the United States and Canada. International organizations such as the International



A JOCV teaching skiing skills (Romania).

Monetary Fund (IMF), the World Bank and the Organisation for Economic Co-operation and Development (OECD) also take part.

In line with G24 resolutions, since 1990 the Japanese government has been extending the range of its aid operations from Poland and Hungary to include Czech and Slovak (two countries that formed Czechoslovakia when aid was commenced in 1991), Bulgaria, Romania, Estonia, Latvia, Lithuania, Slovenia, Macedonia, Bosnia and Croatia. Support on an ODA basis was provided for the first time in 1997 to Moldova, which has now transferred to Part I of the DAC list\*, and Ukraine.

## Importance of Ascertaining Each Country's Economic Situation and Aid Needs

Now that a decade has elapsed since the collapse of the socialist system, clear differences have emerged between individual countries in Central and Eastern Europe in terms of transition to a market economy and the results of economic and social reform.

## Basic Principles of JICA Aid to Central and Eastern Europe

Since embarking on full-scale cooperation with Central and Eastern Europe in 1990, Japan has provided aid in the following priority fields:

- (1) Support for introduction of a market economy (economic policy, productivity enhancement, management control, etc.);
- (2) Environmental response (air pollution, waste disposal, etc.);
- (3) Rehabilitation of economic infrastructure.

In the Medium-Term Policy on ODA announced in August 1999, reference was made to various kinds of support for countries party to conflict and their neighboring countries.

In addition to the common development topics mentioned above, we will need to strengthen our country-specific approaches in priority fields that are in line with the varying direction and pace of development in each country.

Poland, Czech, Hungary and Estonia are relatively well advanced on the path to development and are set to join the EU by around 2004. Aid to these countries is focusing on the transfer of industrial technology and expertise and measures to deal with industrial environments.

On the other hand, in countries such as Bulgaria, Romania, Moldova, Macedonia and

Albania, where reform is delayed or has not been undertaken due to conflict, emphasis is placed on traditional forms of economic and social development cooperation. This involves upgrading of economic infrastructure, agricultural development, provision of medical care, and improvement of water supply and sewerage facilities.

Several countries including Bosnia-Herzegovina are experiencing delicate political problems posed by ethnic concerns. Aid for such countries involves post-conflict stabilization and medium and long-term recovery development with due consideration given to ethnic balance.

Several countries such as Poland, Hungary and Czech are progressing smoothly toward reform. These countries have joined the OECD and will shortly be entering the EU. In contrast, Romania, Bulgaria and Ukraine are experiencing enormous problems in reconstructing their economies and industrial structures. These problems are concerned not only with economic management: these nations are also witnessing increasingly serious social trends toward growth in the number of poor people and decline in standards of medical care.

The countries of the Balkan region, including those that made up the former Yugoslavia and Albania, are having to endure many destabilizing factors induced by

civil war and ethnic problems, as evident in the breakup of the Yugoslav federation and wars between its former members during the 1990s, and the Kosovo crisis. Political stability and economic rehabilitation and development are important topics for all these countries.

Under these conditions, it has become increasingly important in recent years to ascertain correctly the economic conditions and aid needs of each of the countries of Central and Eastern Europe. It is also essential to effectively combine or differentiate policy and institutional support\* in such forms as support for introduction of the market economy on the one hand and traditional types of economic and social development cooperation on the other.

## From Line

Support for Transition to a Market Economy: Promotion of Small and Medium-sized Enterprises

Hungary

### Promoting the Development of Small and Medium-sized Enterprises

#### ◆ Problems Faced by Highly Successful Transitional Economies

Hungary has shown remarkable success among Central and Eastern European countries in its efforts to introduce a market economy and democratization. It is currently working to join the EU by around 2004-2006; however, although its economy appears to run smoothly, there exist hidden problems.

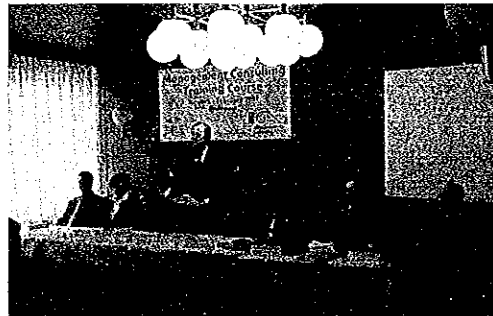
First, radical reform during the past decade has been almost exclusively dependent on foreign capital. Hungarian industries thus have not acquired true competitiveness. Secondly, the gap between foreign firms, associated industries, and domestic small and medium-sized enterprises has been gradually increasing.

#### ◆ From Project-type Technical Cooperation to Development Study

Japan implemented the "Hungarian Productivity Development Project" for five years from 1995 to transfer Japanese expertise on business administration to local small and medium-sized enterprises through the Hungary Productivity Center. This project was successfully completed in 2000, and broader Technical Cooperation was planned to cover the development of all small and medium-sized enterprises throughout the country.

The first concrete step of such cooperation was the "Promotion of Small and Medium-sized Enterprise," which was implemented from 2000 to 2001. This project was distinctive in that the research and planning for three pilot projects were executed in parallel with the study. The three projects were: 1) the "Subcontracting Promotion Project" to find subcontractors for Japanese-affiliated firms; 2) the "Establishment of Matchmaking Using Computers" to adapt small and medium-sized firms to computerization; and 3) the "Progress and Evaluation of Intensive Training Course for Young Managers" to develop the human resources that will be needed by small and medium-sized enterprises in the future. We believe that this new method, which incorporated the elements of preparatory projects into a Development Study project, has demonstrated its potential to be employed widely as new form of practical cooperation for the future.

#### Project-type Technical Cooperation/Development Study/Dispatch of Technical Cooperation Experts



Greeting by Vice Minister Lapchak of the Prime Minister's Office on the occasion of the opening of the third-country training course.

#### ◆ Third-country Training and Advisor Dispatch

At the end of 2000, Japan concluded an agreement on a five-year third-country training program with the government of Hungary that will spread the achievements of the "Hungarian Productivity Development Project" throughout Central and Eastern European countries. The first training session was held during January and February 2001 with the participation of 33 people.

Three long-term individual experts are currently stationed in Hungary to follow up these cooperation projects and to initiate more effective cooperation. The three experts are assigned to the Department of Small and Medium-sized Enterprises Promotion of the Ministry of Economic Affairs, the Hungarian Investment and Trade Development Agency and the Hungary Productivity Center respectively, and they are expected to become conduits for the transfer of valuable Japanese experience for better management of Hungarian small and medium-sized enterprises.

The aforementioned cooperation is within the larger framework of the "Support for Promotion of Small and Medium-sized Enterprises," and may be a forerunner of future program-type aid.

(JICA/JOCV Hungary Office)

# Tackling Priority Issues in JICA Programs

## Cooperation Based on the Perception of Distinctive Features

Support for the market economy is one of the priority issues for aid to Central and Eastern Europe. This covers a broad range of cooperation that includes providing policy advice on matters such as supporting industry and improving legal institutions. It also includes cooperation contributing to the development of human and material resources through training of the personnel required to operate the new economic systems and industries and the transfer of technology and expertise.

In Hungary, JICA provided cooperation until 1999 that involved quality control, factory improvement, and staffing and labor improvements at the Hungary Productivity Center. In fiscal 2000, the center began to offer third-country training on business diagnosis, which is scheduled to continue for five years, to disseminate the achievements of Technical Cooperation to neighboring countries.

Policy support cooperation was started in fiscal 1999 in Bulgaria in the field of industrial policy, and efforts are being made to ensure that Japan's experience in industrial promotion benefits economic development in this country.

In fiscal 2000, the "International Conference on the 10-Year Review of Transitional Economics and Challenges in the Next Decade" took place with the participation of countries in the region and international organizations. In order to facilitate the introduction of a market economy, participants shared their experiences over the past ten years related to market economy transition, and discussed necessary measures to further the transition.

A feature of these countries that distinguishes them from developing countries in other regions is that they



Elementary school students who have received a boiler for their school through Japanese grant assistance for grassroots projects (Bosnia-Herzegovina).

generally possess high technical levels and a plentiful supply of trained personnel. When providing cooperation to these countries, we need therefore to make sure that we achieve a proper balance between the considerable—but thus far largely underutilized—technical capabilities that people in the region possess and the technology that Japan is able to provide. Since the eventual goal of these countries is to join the EU, we need to ensure that Japanese cooperation is fully in accord with the policies, rules and regulations, and legal institutions of the EU.

Our task is to plan and implement Japanese cooperation while taking account of these features.

## Post-conflict Stabilization and Recovery Support

Post-conflict recovery support is also a major topic for future cooperation with Central and Eastern Europe, particularly the Balkan region.

Following the Dayton Accords of November 1995, Japan has been providing Bosnia-Herzegovina with aid for the reconstruction process. JICA has been dispatching project formulation advisors\* and project-formulation study\* teams to Bosnia since 1996. We have also been contributing to post-conflict stabilization and recovery through the mediums of Grant Aid and Technical Cooperation in electric power, transportation and medical care, as these are areas likely to produce clear results in a relatively short space of time.

As for Yugoslavia, JICA is continuing to extend assistance in coordination with the international community.

Japan's various support activities for the Balkan region are concerned not merely with national recovery and development. We take full account of post-conflict stabilization and ethnic balance, and this attitude has been warmly welcomed by countries in the region.

