



Part II

# JICA's Regional Activities

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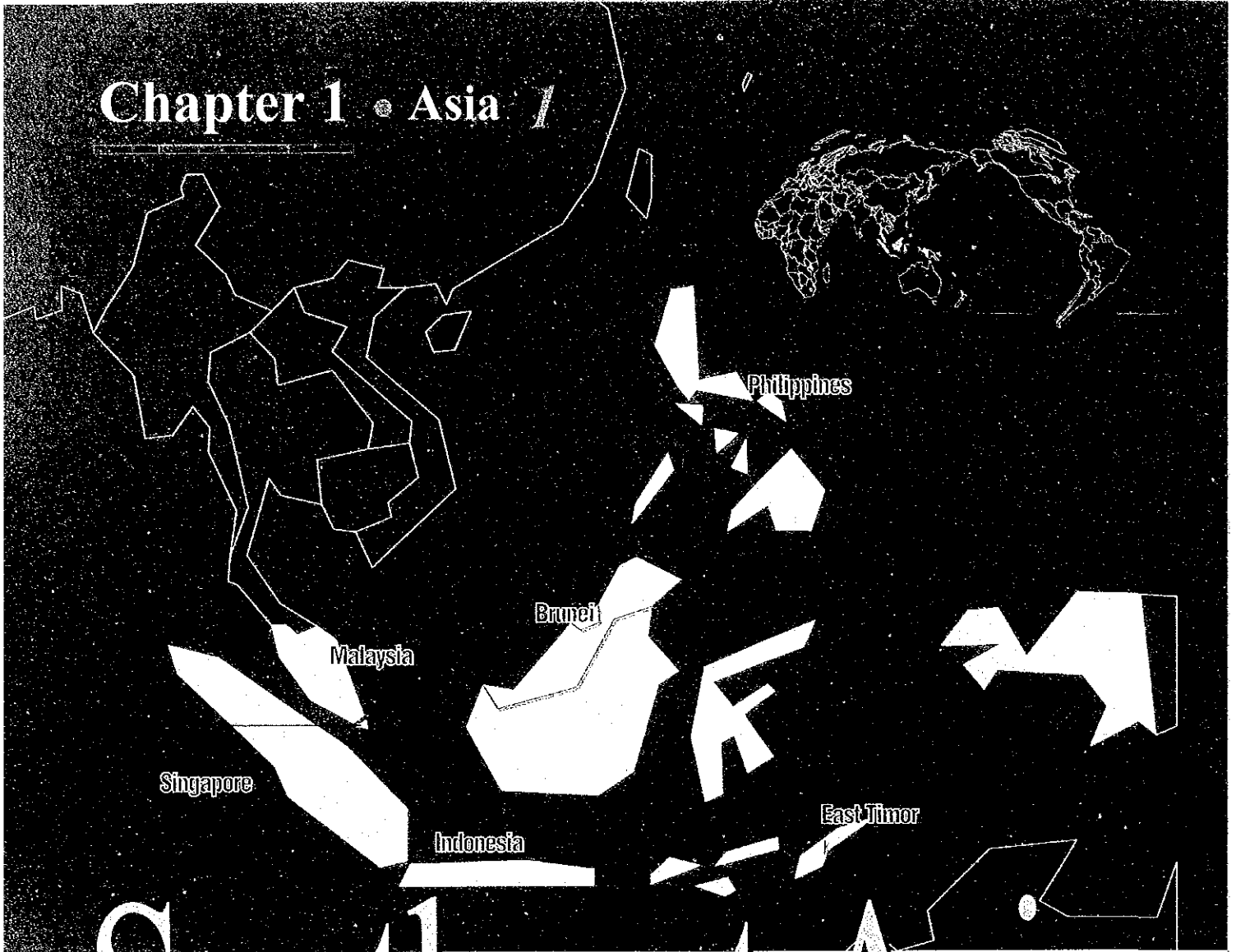
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# Chapter 1 • Asia /



# Southeast Asia

## **Pillars of Aid** Human Resources Development and Nation-Building in Countries with Long and Close Relations with Japan

Southeast Asian countries and Japan have a long-established association, which is currently marked by close social, political, economic, and cultural relationships. Southeast Asia is a popular destination for Japanese tourists and has large numbers of Japanese residents that include employees of Japanese companies. Consequently, high hopes are held out for the guidance and contribution that Japan has to offer in many fields. The impacts of JICA projects for human resources development and nation-building are particularly great.

Southeast Asia underwent an astonishing

degree of economic growth from the 1980s to the early 1990s, and some countries were acclaimed as "East Asian Miracles." Although the region was hit by the Asian economic crisis that began in 1997, various measures to overcome the crisis have gradually put the economies of some countries on a path toward recovery.

Given this situation, JICA attaches primary importance to the implementation of effective, efficient, and prompt cooperation projects based on a precise perception of the true needs of the various Southeast Asian countries. In addition to needs in traditional fields such as

agriculture, forestry, fishery, social development, mining, and manufacturing, JICA is actively responding to challenges in new fields such as support for the socially disadvantaged, the environment, information technology (IT), decentralization and issues involving the World Trade Organization (WTO), finance, and governance. JICA also believes that, from the perspective of furthering cooperation within the ASEAN region, it is important to tackle the issues of expanding south-south cooperation\* and continuing support for reconstruction in East Timor.

## Current State of Development

### Achieving Sustainable Economic Growth

Southeast Asia consists of a diverse range of countries, including Singapore, which has a per capita gross national product (GNP) of around US \$25,000; Malaysia, which aims to enter the ranks of industrialized nations by 2020; Indonesia, which is a major power in ASEAN; the Philippines, which has almost achieved stable political and economic structures one year after the establishment of a new administration; Brunei, which is rich in natural resources; and East Timor, which was

the first country to achieve independence in the 21st century. These countries have been deeply connected to Japan for a long time, and currently have close social, political, economic, and cultural relationships with Japan.

The economic crisis that began to unfold in July 1997, in the wake of the collapse of the Thai baht, greatly affected countries in this region. However, the currencies of these countries have been stabilized through subsequent economic structural reforms and international assistance, and their once

## Front Line

### Winners of Junior High School Student Essay Contest Visit Singapore on Study Tour

#### Singapore

#### Dedicated Support from the Alumni Association of Former Training Participants

#### ◆ Arriving at Singapore Station by night train

At the end of March 2002, four Japanese female junior high school students got off at Singapore Station in the early morning after enjoying a night train journey from Kuala Lumpur. Out of 12,042 applicants, the girls had won special commendations in the fiscal 2001 Junior High School Student Essay Contest, and were awarded an overseas study tour as an extra prize. Having completed the study tour in Malaysia, they were about to start a four-day study tour of Singapore.

In preparing for the study tour of Singapore, the staff of the JICA Singapore office worried about whether or not junior high school students would be able to understand international cooperation in such a high-tech nation as Singapore. In Singapore, there is no cooperation site such as the Japan Overseas Cooperation Volunteers Program, which is easy to understand for junior high school students. Because the girls were scheduled to visit international cooperation sites in Malaysia, it was decided that the training course should place emphasis on international exchange in Singapore.

The office planned the training course. Starting with a profile of Singapore and an explanation of the work done at the JICA Singapore office, the tour would then visit the training agency that receives technical training participants from Asia and Africa and the affiliate where experts conduct research on fisheries. There would also be an exchange program with students from Singapore's technical schools and a homestay program in the homes of Singaporeans.

#### ◆ Cooperation from alumni association

Immediately, a request for cooperation was made to the always helpful former JICA participants' alumni association.

Although technical cooperation in Singapore ended in 1997, the Singaporeans who visited Japan through the Acceptance of Technical Training Participants Program and the Youth Invitation Program formed an alumni association, which contributes to friendship between Singapore and Japan. The chairman of the alumni association cheerfully accepted the responsibility of organizing the homes-



Exchange with Singaporean students

tay programs and exchange activities with students from the school. For the homestay program, families with children the same age as those of the girls were selected, and the girls' interests and food preferences were conveyed to the host families in advance.

When asked for their impression of the study tour, one of the students said, "I didn't study hard enough before." When a staff member of the office heard this remark, he sincerely thought that it was a worthwhile undertaking to look after the girls.

The girls' study tour is explained on the homepage of the alumni association (<http://www.geocities.com/jica-aas/>).

(JICA Singapore Office)



An expert provides instruction in Indonesia.

sluggish economies have moved toward recovery through expanded domestic demand and increased exports. In order to achieve sustainable economic growth under stable political systems, further efforts should be made for unfinished institutional reforms of economic and financial sectors to realize ongoing sound macroeconomic management, and for industrial infrastructure\* development to increase international competitiveness. In addition, assistance to the poor and socially disadvantaged, who have been marginalized from the development process, is becoming more important.

## Countries with Distinctive Features

Under Japan's policy of "walking and proceeding together" with the countries of Southeast Asia, JICA is taking a comprehensive approach by extending cooperation such as the dispatch of policy advisors in relevant fields and the training of government officials. In addition, JICA cooperates with the World Trade Organization (WTO), which is the framework for international free trade, to respond equally and properly to the ASEAN nations. Presently, each country's efforts for economic recovery and social stability have been producing positive results.

Partly triggered by the Asian economic crisis, political changes occurred in the Philippines and Indonesia. The disclosure of successive corruption and bribery scandals in the administration of former President Joseph Estrada led to its replacement by the administration of Gloria Macapagal Arroyo in January 2001. The Arroyo administration upheld poverty alleviation and the elimination of corruption, and resumed a dialogue with antigovernment guerrillas based on a policy of peace and development. In Indonesia, following the administrations of Baharuddin Jusuf Habibie and Abdurahman Wahid, after the fall of Suharto's longtime autocratic regime, the administration of Megawati Sukarnoputri was formed. Under the current administration, the political situation has been stabilized to some extent.

As described above, Southeast Asia—comprised of the founding members of ASEAN (Indonesia, the Philippines, Malaysia, Singapore, and Brunei) and East Timor—is a unique region where each country has distinctive features.

## Addressing Priority Issues in JICA Programs

### Economic Policy Support

The Asian economic crisis that began with the sharp fall of Thailand's currency in July 1997 threw cold water on the favorable economic development that the region was enjoying. The countries were urged to review budget austerities and development policies, although the circumstances vary from country to country. The social impact was sometimes great in terms of a rapid increase in unemployment. The economic crisis in Indonesia became particularly serious and even led to the resignation of President Suharto, deepening the economic and social confusion.

Thereafter, the Indonesian economy has been gradually

heading towards recovery, but important issues such as the heavy debt burden, restructuring of the financial sector, and appropriate response to economic globalization remain. In order to support the greater stabilization of the Indonesian government and stable economic growth, the Japanese government implements policy advice through discussions with six Japanese scholars in the fields of macroeconomics management, financial sector reform, small and medium-sized enterprise promotion, private investment expansion, decentralization of power, and democratization, based on top-level consensus between Prime Minister Koizumi and President Megawati.

## Enhancement of Good Governance Support

In the Southeast Asian region, establishing good governance\* has become a large common issue. The decentralization of power, in particular, is promoted in the Philippines and Indonesia, and in providing cooperation, JICA selects priority issues such as area development and regional human resources development.

In addition, Indonesia aims to promote a law-abiding country that values justice and equality and respects universal human rights, so judicial reform is an important political issue.

Having conducted a fact-finding study in January 2002, JICA decided to examine future cooperation activities while conducting training programs in Japan and seminars in Indonesia.

## Support for WTO

Trade is closely related to development issues such as investment, labor, and environment, and is an activity that will largely influence the poverty alleviation strategies of developing nations. In particular, the formulation and implementation of WTO agreements, which are international rules for multilateral trade, will help every country in the world benefit equally from trade. However, many developing countries face difficulties in such fields as domestic legislative measures and expert training when they implement World Trade Organization (WTO) agreements.

In order for developing countries to receive benefits from multilateral trade regimes, as well as to facilitate talks in the WTO New Round, support for the capacity-building\* of these

# Front Line Enhancement Activities for Preschool Education

## Malaysia

### Improving Preschool Education Quality to the Level of Developed Nations

Senior Volunteers

#### ◆ Focus on music and physical education

In Malaysia, there are 8,137 nationwide public kindergartens under the control of the Regional Development Ministry, and the Community Development Bureau (KEMAS) is in charge of management and education.

Senior volunteers have been dispatched to KEMAS since 1995, undertaking the improvement of educational content and teacher training. The senior volunteers have reviewed music and physical education curricula that were not yet in place, drew up teaching guidelines, and provided practical training at the training center. The present senior volunteer, who is third-generation, has made the cultivation of creativity a priority.

#### ◆ A developed nation by 2020

The Malaysian government, which has invested a large amount of capital into college education and vocational education for human resources development with the aim of becoming a developed nation by 2020, attaches great importance to preschool educa-

tion. Children who understand the importance of sound thinking and rules through early preschool education are essential for the development of competent human resources.

#### ◆ A model kindergarten is constructed with grant assistance for grassroots projects

One opinion that all the senior volunteers have shared so far, is that the best way to create awareness is to show teachers an ideal kindergarten education site.

Owing to the enthusiasm of the present senior volunteer, grant assistance for grassroots projects was used to construct a new model kindergarten. In this kindergarten, senior volunteers will work with Japan Overseas Cooperation Volunteers to employ excellent methods for kindergarten education and teaching materials, aiming to create an ideal educational site.

The purpose is to have people associated with kindergartens from various regions come and conduct inspections so that management solutions and educational content may be taken back



Training for Kindergarten teachers

with them to raise the standards of regional preschools. Another important purpose is to cultivate excellent trainers in the model kindergarten, so that they may become master trainers who can improve teacher capabilities in six training centers nationwide.

Although this project is time-consuming, it is believed that, once it is realized, the model kindergarten will help improve Malaysia's overall educational standard.

(JICA Malaysia Office)

countries, starting with the reinforcement of administrative organs that are responsible for WTO agreements (training officials, organizational restructuring, etc.), is of great importance. From this perspective, JICA has started cooperation for capacity-building in four countries that have requested immediate assistance: Indonesia, Malaysia, the Philippines, and Thailand.

### **Promotion of South-South Cooperation**

The countries of Southeast Asia were among the earliest recipients of Japanese technical cooperation. In the past, these countries were exclusively recipients, but at present they provide south-south cooperation in the form of third-country training\* and third-country experts\*, not only in the surrounding countries, but also in countries in Africa and Latin America.

In Singapore, where Japanese technical cooperation ended in fiscal 1998, the Japan-Singapore Partnership Program\* for the 21st Century (JSPP21) got under way in 1997. Under this program, Japan has been working in equal partnership with Singapore, not in a recipient country and donor\* (donor countries and agencies) relationship, in order to provide support for developing countries within the region and elsewhere. Similarly, even between Japan and the Philippines, the Japan-Philippines Partnership Program (JPPP) was concluded in January 2002, providing third-country training programs based on cost-sharing.

In the ASEAN region, the founding members of ASEAN

provide south-south cooperation in the form of third-country training for new members, including Laos, Cambodia, Viet Nam, Myanmar, and East Timor, a young country that just gained independence. Cooperation for Afghanistan, a Muslim country that is currently rebuilding, is also under consideration. Efforts corresponding to each field and country are called for, and JICA will actively address to support for south-south cooperation.

### **Independence of East Timor and Future Support**

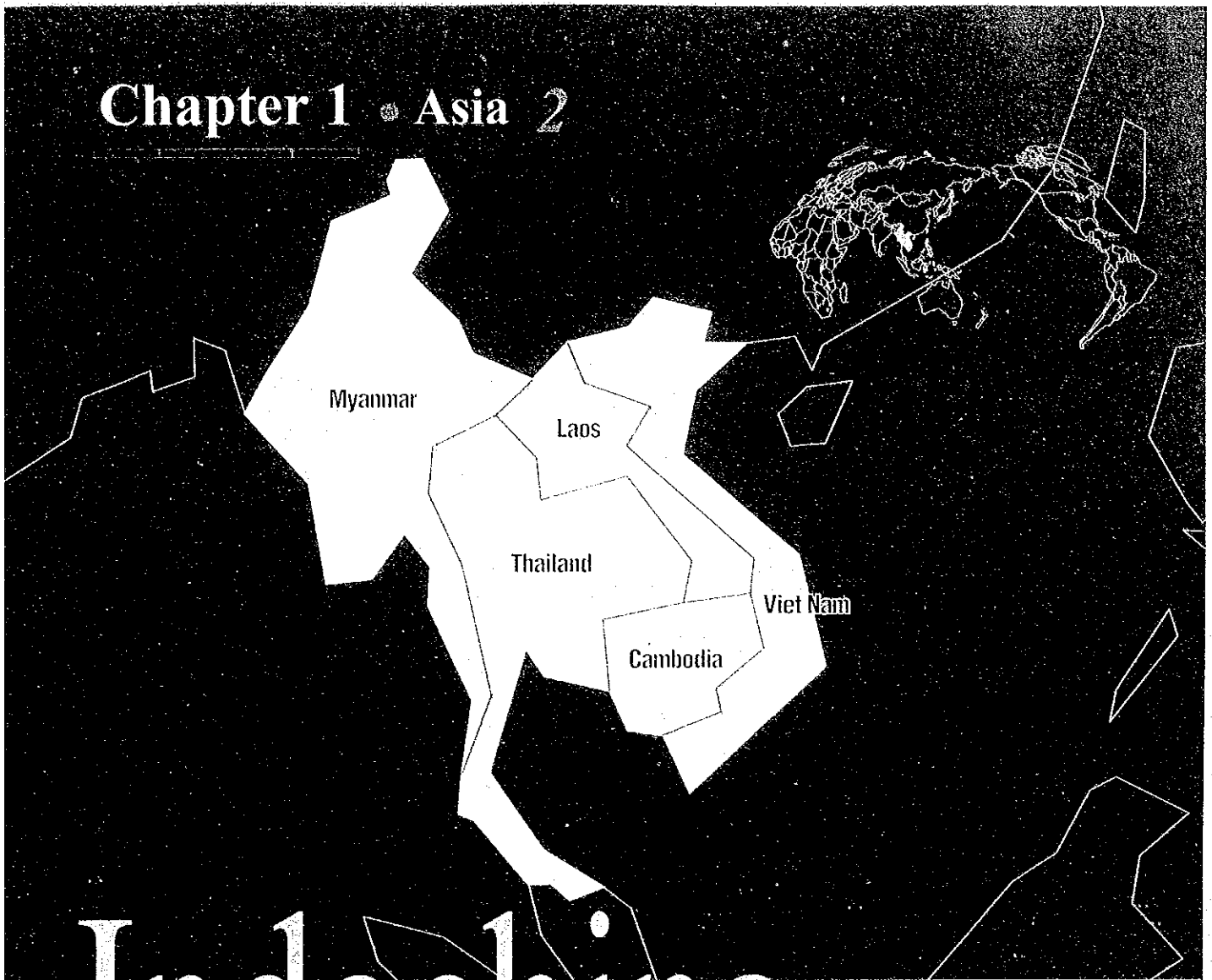
After East Timor chose independence from Indonesia in the referendum of August 30, 1999, turmoil devastated most of the buildings and facilities in the territory, thus generating a large number of refugees. Since then, nation-building progressed under an interim administration of the United Nations, and independence was officially achieved on May 20, 2002.

Since early 2000, JICA has helped East Timor in its reconstruction efforts. In order to realize a sustainable economy and society on a medium term basis, JICA continues to promote active support, placing emphasis on the following types of development: human resources development and institution building; agriculture and rural village development; and infrastructure development and maintenance.

The experiences gained up to now in supporting East Timor's reconstruction will be put to the best use for post-conflict peacebuilding in other countries and regions, including Afghanistan.



Observing dyeing techniques in Okinawa



# Indochina

## **Pillars of Aid** Long-term Measures Indispensable for War-Weary Economies

Except for Thailand, which accomplished rapid progress starting in the late 1980s, the countries of Indochina, in general, lag behind the other countries of ASEAN due to historical and geographical factors. Long years of colonial domination, tyrannical governments, and incessant war and political upheaval have destroyed the productive infrastructure\* of these nations and their capacity to allow their peoples to lead normal lives. Individuals with specific talents and abilities have been lost or now live abroad. Even today, when political conditions are gradually returning to normal, the scars left by these years are deep, and a long-term response leading to recovery is required.

These three countries face many problems. JICA continuously addresses priority issues such as improvement of infrastructure,

agriculture and forestry development, environment, education, and medical and health care. At the same time, paying special attention to issues related to governance and macroeconomic policy such as administrative, financial and political reform, development of legislative systems, and the realization of capitalist economic structures, JICA extends cooperation in human resources development and policy and system-building in these fields. For instance, in Viet Nam, Myanmar, and Laos, through joint research on economic policies with administrative officials in partner countries and comprehensive policy recommendations, JICA supports the national systems and policies. In the future, based on recommendations for support, cooperation will be provided towards solutions to various problems in terms of administration,

finance, and politics.

In regard to Thailand, the most developed country in Indochina, JICA sets the direction of development in administrative, financial, and political reform, and supports a society made vulnerable following the economic crisis. Based on the direction of development, priority issues are narrowed down mainly from such fields as decentralization, promotion of small and medium-sized enterprises, and social security so that specific cooperation with key points can be provided.

In addition, even in regard to diverse regional cooperation with the main objective of disparity corrections within the ASEAN and Mekong River basin development, aggressive cooperation is planned with regard to each country's subjectivity.

## Current State of Development

### Reconstruction and Transition to a Market Economy after the War

Indochina is located between China and India, two large countries, and comprises five countries: Cambodia, Laos, Myanmar, Thailand, and Viet Nam. These countries share natural resources centering on the Mekong River, which flows from north to south through the center of the Indochinese peninsula. They have mutually close relations and similarities that are economic, cultural, and historical.

However, recent historical circumstances have brought about considerable political and economic differences between these countries. With the exception of Thailand, which underwent rapid development starting in the late 1980s and which has spurred development in the region, each country has experienced civil war and political chaos that have resulted in their economies lagging behind East Asia as a whole.

Japan continued for many years to provide economic cooperation after World War II. Aid to the region was then frozen with the outbreak of the Viet Nam War and other circumstances, and until the second half of the 1980s, diplomatic relations remained almost non-existent.

The introduction of the Doi Moi (renovation) policy in Viet Nam, new approaches and economic mechanisms in Laos from 1986, and the Paris Peace Accords of 1991 stimulated economic liberalization policies and the introduction of market economies in Viet Nam, Laos, and Cambodia. This prompted Japan to recommence the provision of aid.

In Myanmar, a military regime was clinging to power after 1962, with the result that the country received almost no investment from the West because of its failure to introduce democracy. It therefore stagnated in terms of economic development. However, the government of Myanmar began to move toward an open market economy in 1988, and it is gradually establishing close relations with neighboring ASEAN countries and Japan.

### Response to Economic Liberalization as New issues

Such were the political and economic conditions under which the Asian economic crisis, which began in Thailand in July 1997, had an indirect economic effect on the four new members of ASEAN. However, the crisis did not spur any major changes in their economic reform policies.

In 1999, Cambodia joined ASEAN, marking the entry of all the five countries of the Indochinese peninsula into ASEAN and the ASEAN Free Trade Area (AFTA). In the future, economic liberalization in the form of reduced tariffs within the region of AFTA and the conclusion of a Free Trade Accord (FTA) between China and ASEAN will come to the Indochina region. The four least developed countries in Indochina have been emerging gradually through their participation in the international community. However it is necessary to respond to new challenges, such as how they will become internationally competitive to protect and develop their own economies in the wake of economic liberalization.



Seminar at the Viet Nam-Japan Human Resources Cooperation Center

## Addressing Priority Issues in JICA Programs

### Expanding Support for Legal Modernization and Economic Policies

Vestiges of organizational structures, laws and policies

strongly reflecting communist political ideology and the planned economy are still evident in several countries in Indochina. Basic political and economic institutions are still



not in place due to long years of tyrannical government and civil war. The social conditions that apply in these countries are relatively similar. As the single developed country in Asia and one that is actively interested in cooperating economically with the region as a whole, Japan is expected to assist with modernization of major laws, economic development, introduction of a market economy, and administrative, financial, and political reform.

With cooperation from government ministries and departments, academic institutions and related organizations, JICA is responding to these demands by creating domestic support structures and providing multilateral aid\* that combines various methods. These include dispatch of technical coopera-

tion experts, acceptance of technical training participants, development studies, and provision of equipment.

Among the major projects underway, in Viet Nam JICA is continuing to support the introduction of a market economy through the establishment of a Japan Center\* as well as through technical cooperation for the improvement of necessary systems and for the fostering of human resources. Projects intended to comprehensively provide institutional and policy support for economic policies are being implemented in Laos and Myanmar. In the legal sphere, JICA is assisting with legal modernization in Cambodia and Viet Nam by providing advice and instruction on drafting and revision of current laws and on training legal experts.

## Front Line Movement to Support Primary School Construction in Laos by the Kochi-Laos Association

Kochi

Student Council of a Commercial High School Establishes a Corporation

### ◆ Commencement of the Kochi-Laos Association

A former JICA technical cooperation expert from Kochi Prefecture was a high school classmate of the then residing Japanese ambassador to Laos. Based on this connection a group of experts from the same hometown visited Laos in 1994. The group of experts agreed with the ambassador, who said, "The nation-building of Laos begins with people-building, and people-building begins with primary education." They formed an NGO called the Kochi-Laos Association to help build a primary school.

This campaign immediately drew the attention of elementary, junior high, and high schools as well as international exchange associations in the prefecture, and considerable funds for the construction were contributed by citizens, including school children.

### ◆ A commercial high school extends active cooperation

In July 1995, two primary schools were constructed 120 km north of Vientiane, the capital (Bane Vang Khee primary school and Bane Phongn primary school). Since then, schools have

been constructed in Bane Khaem, Bane Xangnai, Simmano (junior high school) and Bane Phaylorn. In order to raise the self-help capabilities of Laos, the association set up a local construction committee in 1997 and developed their campaign by supporting the committee.

This campaign was not limited to construction of primary schools by an NGO, but has extended its activities to study tours organized by the Kochi International Association. In addition, the student council of Kochi City Commercial High School began its own support activities.

This student council promptly started cooperation for the Kochi-Laos Association's activities. Since 1996, utilizing the commercial high school's attributes, the student council established a corporation every year, with activities limited to one year, that sell folkcrafts procured locally in Laos using the capital collected. The earnings minus dividends given to shareholders



Fifth grade students at the Bane Khaem Primary School, which was built with help from the Kochi-Laos Association

are donated to the Kochi-Laos Association.

In 2000, the student council planned and proposed a Hariyama Street Festival to the Business Quarters Hariyama-bashi Shopping District Promotion Union in Kochi City. After obtaining the consent of the union, a Laos product exhibition, a concert by street musicians, and a fashion show by member stores were carried out, helping to revitalize the shopping district. This kind of student council activity is attracting attention as a practical example of development education.

(JICA Shikoku Branch Office)

As JICA has extended institutional and policy support of this new type for less than 10 years, our efforts are arousing much interest both inside and outside Japan.

### **Enhancing Linkages with Other Aid Agencies**

In Viet Nam and Cambodia, where many aid agencies are active, related aid agencies are promoting efficient and strategic linkages while exchanging information in detail in respective fields. For instance, in Viet Nam, partnerships have been formed consisting of a governmental agency and related donors\* (aid countries and agencies) in more than 20 important fields. While respecting the independence of the Viet Nameese government, we are providing aid that takes into account overall linkages and cooperation among related aid organizations in all fields. Japan is taking the lead in partnerships in several fields, and JICA is taking part in this new development through the application of our development study and dispatch of technical cooperation experts systems.

In the countries of the Indochinese peninsula, many NGOs continue to provide cooperation as dynamic as that provided by government aid organizations. There are many organizations that already had a long record of aid achievement even before the main donors entered the field, and these organizations demonstrate stable activities that are highly appreciated by the recipient countries.

JICA has begun working on a variety of projects in these countries in the social sector, such as education, medical care, social welfare, and culture. Use is made of projects conducted jointly with NGOs and academic institutions under schemes that have been developed in recent years.

In Cambodia, United Nations agencies and NGOs are engaged in their own forms of cooperation in fields related to peace-building such as landmine clearance and discharged soldiers. These are fields in which JICA must collaborate with pioneering aid organizations so that each organization can complement the other in terms of safety and support measures.

### **Development of the Mekong River Basin**

From a global perspective, the Indochina region holds the brightest prospects for rapid development. Regional cooperation that extends over national boundaries and is balanced throughout the area as a whole is currently moving ahead. Frameworks for region-wide cooperation include Economic

Cooperation with the Greater Mekong Subregion (GMS Project), which was proposed by the Asian Development Bank (ADB) and started in 1992, and the "Indo-China Comprehensive Development Forum", which was proposed by the Japanese government in 1993.

One specific project currently underway involves the development of the East-West Corridor. This is arousing much interest as a leading infrastructure project connected with development of the Mekong River Basin. The purpose of this project is to establish a transport artery stretching from Thailand through Viet Nam to the South China Sea. This route is likely to contribute to economic development throughout the region, including land-locked Laos. JICA is responsible for an important sector of this project, including detailed design studies of the Mekong International Bridge No. 2, linking the Thai and Laotian sides of the river and research on the provision of grant aid for repairs to National Highway Route 9, which runs the length of Laos. Cooperation in the future will be concerned not merely with "hardware" aspects, such as the construction of roads and bridges: it will also involve cooperation on "software" aspects that are aimed at ensuring the opening of an economic corridor in the region.

### **Intra-region Cooperation in Human Resource Development**

In 1999, Cambodia became the tenth member of ASEAN, and an important issue now facing the organization is how to rectify the economic disparities that exist within it.

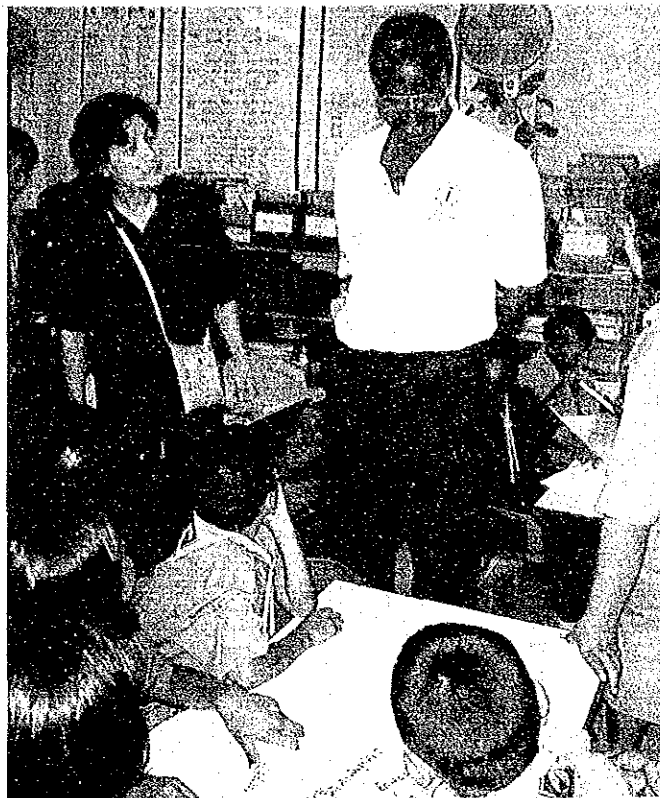


Pakse Bridge constructed with grant aid in Laos

Japan regards Thailand as a base for cooperation in development of the Mekong River Basin and of ASEAN, and it is considering active development of third-country training\* and regional projects directed at the region.

In 1995, Japan concluded a Japan-Thailand Partnership Program\* (JTTP) agreement with the Thai government that aims to expand third-country training. As a result, the establishment of 15 third-country training courses, a target for fiscal 2000, was achieved.

JICA is implementing region-wide projects such as Parasite Control, Empowering Persons with Disabilities, Narcotics Control, Higher Engineering Education, and Animal Disease Control. In addition, various regional cooperation projects to rectify disparities among ASEAN nations have been launched.



The International Parasite Control Project in Thailand

## Front Line Project for Promotion of Adult Literacy in the Northern Mountainous Region

Viet Nam

Disseminating Adult Literacy Education for Ethnic Minorities

JICA Partnership Program

### ◆ The northern mountainous areas lag behind

In the 1990s, remarkable economic development was achieved in Viet Nam thanks to economic reform introduced by the Doi Moi policy in 1986. In Viet Nam's single commercial city, Ho Chi Minh City, and the capital, Hanoi, people have become prosperous and the streets are crowded with motorcycles. There are many Honda motorcycles. However, the per capita GDP in fiscal 2000 was US\$400, which is still low; and there is a widening gap between the rich urban areas and the poor regional areas due to rapid economic development. In particular, the northern mountainous area has been left out of the development.

There are 54 different ethnic groups in Viet Nam. 80% of the population belong to the Kinh and the rest are ethnic minority groups living severe lives in the mountainous areas. Many people from ethnic minority groups, such as the Muong and Thai, live in Lai Chau Province in northern Viet Nam, which

borders China and Laos. In this region, since 2000, the National Federation of UNESCO Association in Japan, a prominent Japanese NGO, has implemented the first JICA Partnership Program\* called the Project for Promotion of Adult Literacy.

### ◆ Construction of "terakoya" for ethnic minority groups

Having established national standards concerning the dissemination of literacy and primary education, the Viet Nam government declared that its policies met these standards nationwide in 2000. Through this endeavor, Viet Nam boasts the highest literacy rate of all the developing nations (98% in 1998). Lai Chau Province is dominated by ethnic minority groups with their own languages, and there are many people who cannot read, write, and calculate even as adults. In the JICA Partnership Program, Community Learning Centers, commonly called "terakoya," were constructed in 40 villages within the province where most of the minority



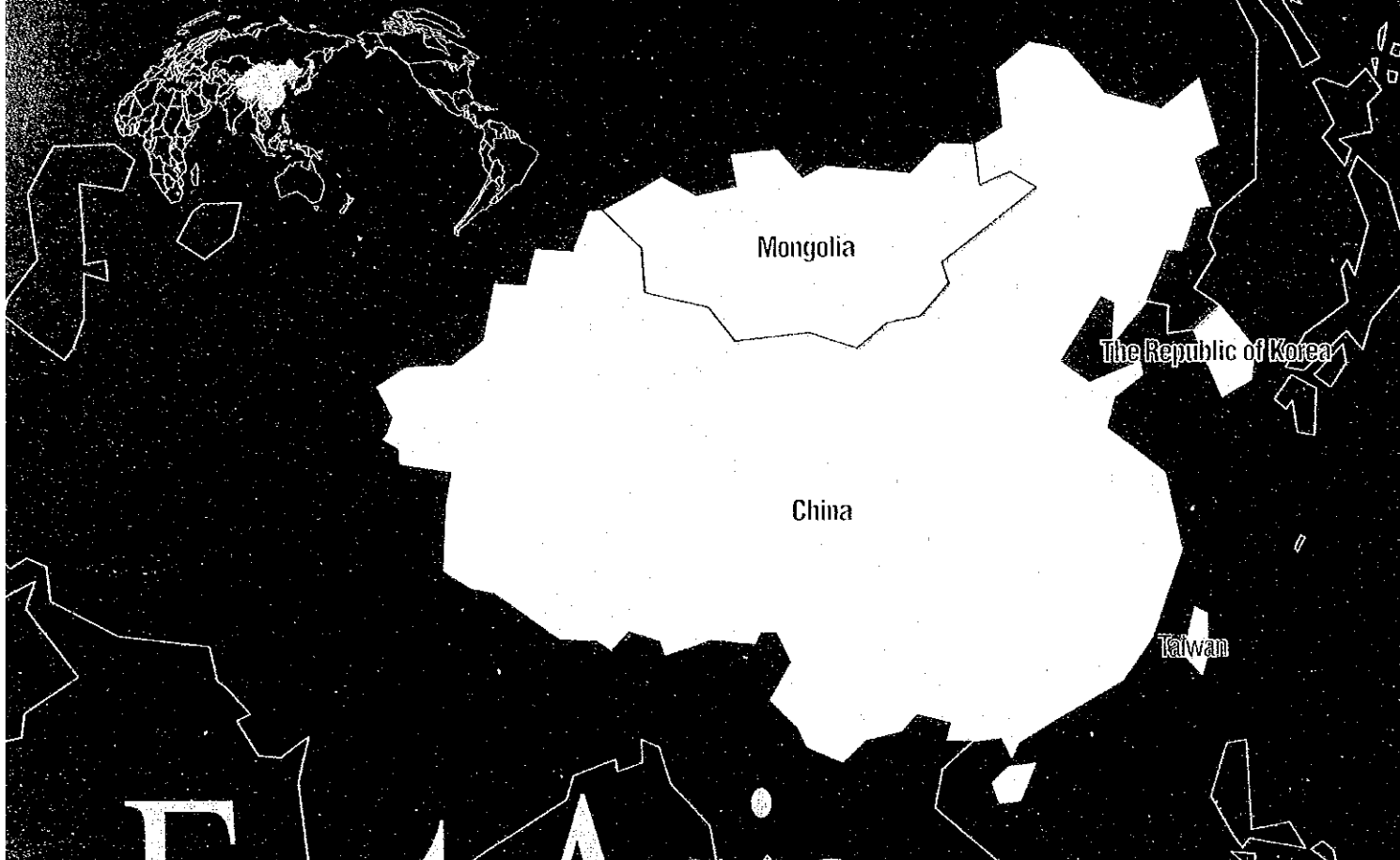
The Muong people who came for the opening ceremony

groups live. These centers provided an 'infrastructure' for adult education that offers the opportunity to learn.

Presently, 40 centers have been completed and literacy education and technical training to raise incomes are being carried out. The government of Lai Chau Province and the Central Education and Training Ministry expect a positive outcome from the project, recognizing its role in enhancing education for those who could not have the chance to attend school up to now, and facilitating improvements in village life and the revitalization of the regional economy.

(JICA Viet Nam Office)

# Chapter 1 • Asia 3



## East Asia

### Pillars of Aid Priority Areas in Cooperation

Cooperation to China is being provided primarily in the following four areas.

1) Cooperation towards resolving environmental and other global issues\*:

Countermeasures implemented through international cooperation are indispensable for solving environmental problems and controlling infectious diseases, all of which affect regions without regard for national borders.

2) Assistance for open and reform policy:

It is in Japan's national interest that the Chinese economy be liberalized and integrated into the world economy as a free and transparent market.

3) Promotion of mutual understanding:

In order to build a foundation for favorable relationships between Japan and China, it is

important to have mutual exchange of persons who can become key players in future Japan-China relations in addition to a wide range of public interaction.

4) Assistance for poverty alleviation:

Tackling poverty issues is primarily linked to China's domestic income redistribution, but it is nevertheless important to support the Chinese government through policies and systems.

Cooperation to Mongolia stresses the following four areas.

1) Intellectual support and development of human resources for transition to a market economy:

Structural improvement and human

resources development provide further support for the market economy system.

2) Upgrading economic infrastructure\* and conditions for the promotion of industry:

The focus is primarily on support for railways, road improvement, and energy supply.

3) Promotion of cattle-breeding and agriculture:

The administration system in the fields of cattle breeding and agriculture is strengthened to support the building of institutions and organizations that can survive natural disasters

4) Support for basic living environments:

Cooperation is provided for education, health and medical care and rural infrastructure, which are fields that were subject to drastic budget curtailment after the political changeover.

## Current State of Development

### Widening Disparity in the Chinese Economy

Since the 1978 reform and the launch of its liberalization policy, China has recorded exceedingly high economic growth, on average about 10% per year, and accomplished rapid economic development. On the other hand, in recent years not only has economic disparities between regions become evident and environmental degradation more serious, but the establishment of a market economy has not corresponded to the rapidly expanding economy, thus creating structural problems in the system.

The 10th five-year program (2001-2005) implemented in 2001 addresses the promotion of economic structural adjust-

ment\* with more focus on the agricultural sector. In addition, the plan is augmented with improvements in the citizens' lives, social security, and Western Region Development. Therefore, priority has been placed not only on economic growth, but also on creating a stable society through the elimination of disparities between urban and rural areas and between various regions.

The most significant development in the economic field recently is China's entry into the World Trade Organization (WTO) at the end of 2001. China's great challenge right now is to promote the necessary economic structural reforms through economic globalization and the introduction of an

## Front Line Project in Collaboration with Chinese NGO

China

Grassroots Support to Eliminate Poverty in the Western Region

Community Empowerment Program

### ◆ Chinese government also incorporates the Western Region Development

In cooperation with a Chinese NGO, the China Family Planning Association, the JICA China office commenced a project to eliminate poverty at the village level in Sandu Prefecture, Guizhou Province in March 2002. This is the first project in China of the Community Empowerment Program\* to support a program implemented by a NGO in developing countries. Much attention has been focused on poverty in western China, and it is expected to become a model case for the grassroots project.

Guizhou Province is located in the Southwest of China and the GDP per person is slightly over \$300, which is remarkably low compared to other provinces in the western region. In most rural villages, the residents do not receive decent medical care and no solutions have been identified to improving the living environment. The Chinese government worked out the strategy for Developing the West

Region, which primarily focuses on the growth of the western region, including Guizhou Province. The Japanese government has decided to shift aid priority for China from the economically vibrant coastal areas to the impoverished inland areas.

### ◆ Japanese NGO also supports the project

This project provides integrated support in the fields of health care, sanitation and agriculture, all of which are directly related to living improvements, based on the participatory development\* which targets about 38,000 citizens in Sandu Prefecture, Guizhou Province, who are mostly ethnic minorities such as Shui, Miao, Bui. The project specifically encourages the use of sanitary methane gas rest rooms, prevents infectious disease such as parasites, builds small-scale infrastructure\*, supports farming and cattle-breeding, and carries out widespread promotion of family planning services.

The China Family Planning Association, which implements this pro-



On-site inspection by Japanese and Chinese parties involved with the commencement of the project

ject, is the largest NGO in China that is active in rural villages. This project is expected to utilize experience in providing support for impoverished areas through small-scale loans to women in rural villages, in addition to conventional support for maternal and child health and family planning promotion. Moreover, a Japanese NGO, JOICFP, which has supported China's population and family planning programs as national policies for more than 20 years, helps the project by dispatching experts.

(JICA China Office)



Environment Project at Taihu Lake

international economic system. However, the primary task is to improve the domestic economic system that accompanies WTO membership.

On the other hand, the country's rapid economic growth for the past 20 years has brought about large domestic economic disparities within China. The average income disparity at the provincial level between coastal areas, where rapid economic development has been achieved, and inland areas, where basic economic conditions lag behind, is more than tenfold. Furthermore, more than 200 million people living at the level of absolute poverty (i.e., living on one dollar or less a day) reside in the inland areas.

The Strategy for the Developing West Region, which was first proposed in 1999, aims to raise the economic level of the western region as a national strategy based on the belief that economic disparities run the risk of undermining social stability.

Environmental issues, which have been addressed in line with the promotion of the reform and liberalization policy, can be divided into three categories.

- 1) Environmental pollution, such as water pollution of the major rivers and lakes, air pollution of the cities, acid rain extending to over 30% of the country, waste disposal problems, etc.
- 2) Conservation and the creation of forests, which are currently losing tree coverage; implacable desertification; large-scale migration of yellow sand; and deterioration of ecological systems as represented by frequent flooding.
- 3) Sustainable use of water resources, which are closely related to environmental issues and are subject to pressure from population growth and urbanization.

In spite of active environmental countermeasures carried out by the Chinese government, the worsening environment has become a serious problem that undermines steady economic development and social stability.

## Mongolia Needs to Maintain and Manage Infrastructure

Mongolia has an extremely low population density, with approximately 2.5 million people living in an area four times the size of Japan. It features a severe climate of little precipitation and a prolonged winter due to its location in an inland area at a high latitude. Three quarters of the country's territory is grasslands, with the remaining area occupied by deserts or mountains. In order to adapt to such natural environments, people have lived nomadic lives since ancient times.

With its incorporation into the economic sphere of the Council for Mutual Economic Assistance (COMECON) in the 1920s, Mongolia began to serve as a supplier of raw materials, and mining and light industry as well as cattle-breeding and agriculture started to develop. Another characteristic of this country was its level of basic living conditions (such as education and medical care), which was higher than that of other developing countries, thanks to substantial economic aid from the former Soviet Union.

Around the time of the collapse of the Soviet Union in 1991, Mongolia changed over from a communist system to a democratic system with a market economy. The economic disorder that arose as a result of this changeover was, to some extent, remedied by the economic stabilization policies of the Mongolian government, guidance from the International Monetary Fund (IMF), and economic aid from various countries.

However, lack of funds has created difficulties in maintaining and managing a wide range of socioeconomic infrastructure, and repair and renovation of this infrastructure have become important tasks. The development of human resources needed for the market economy is another urgent priority. Further problems that have surfaced recently include the widening gap between the rich and poor, and a decline in the standards of education as well as health and medical care, especially in rural areas.



Immunization in Health Project for Mothers and Children in Mongolia

## Addressing Priority Issues in JICA Programs

### Environmental Issues such as Pollution are the Highest Priority Issues—China—

Activities for addressing environmental issues and infectious diseases that cross borders require international cooperation, and have become the highest priority JICA programs.

With respect to environmental pollution, the Japan-China Friendship Environmental Protection Center plays a central role in supporting the establishment of an environmental information network and the promotion of the Japan-China environmental model city plans. The center also provides support related to formulation of environmental policies such as technical support through analysis of and solutions for acid rain and yellow sand storms, the promotion of ISO14000, and the establishment of a pollution control administrator system.

The afforestation program chiefly supports seedling nurseries, tree planting, and pest control for ecosystem conservation.

As far as infectious disease control is concerned, JICA has made a large contribution to the eradication of polio in China, and presently emphasis is being placed on coopera-

tion for tuberculosis control.

Next, the greater globalization of the Chinese economy through the support of China's transition to a market economy is deemed a priority. To support reform and open-door policies, support is carried out to establish tax, trade, and intellectual property right protection systems in accordance with the rules of the international community. In addition, Japan transfers its specific experiences in the areas of policy, financial systems, and small- and medium-sized enterprise promotional support systems.

Thirdly, it is important to improve mutual understanding between the citizens of both nations as it will become the basis for a long-term sound relationship. Expansion of exchange between young people in Japan and China, the training of China's young executives in Japan, and the encouragement of exchange between local governments are being promoted.

Finally, it is important to address poverty, a common problem for all developing countries. Although dealing with the

## Front Line Former ODA Citizen-monitor Participates as Senior Volunteer

Shimane

Participates in International Cooperation Based on On-site Experience

Senior Volunteers

### ◆ "I found out I can make a difference."

A woman from Shimane Prefecture visited Mongolia as an ODA citizen-monitor in fiscal 2001. As a nurse, she inspected the cooperation site, a nursery school, with a JOCV and finally found the answer to a question she'd been asking herself since her twenties: "Is there anything I can do to benefit international cooperation?"

She says that once after travelling to India and Bangladesh, she was distressed at the lack of health care, sanitation, education, and living standards. Those impressions stayed with her. And during the inspection in Mongolia, she saw children in the same situation. She

was impressed by the smiling JOCV who talked to the malnourished and intellectually disabled children with affection in the Mongolian language. When she heard one of the volunteers say, "At first, I could only speak in broken Mongolian, but later I noticed that I had overcome the language barrier," she was greatly touched and decided to participate in international cooperation.

### ◆ "Reach those who need me"

Immediately after returning home from Mongolia, she applied to the Senior Volunteer Program and JICA decided to dispatch her to the National

Kien Khleaning Orphanage in Cambodia. This orphanage can only spend about three dollars per month on each child. Therefore, the orphanage needs support from international agencies and NGOs. The struggles and hardships of the director and staff are difficult to describe.

The woman who became a senior volunteer will help care for orphans and instruct the staff as the head nurse. This is the first time that the orphanage has received support and staff instruction. It is expected that the children will enjoy a better environment with trained staff and improved awareness and technology regarding individual child care.

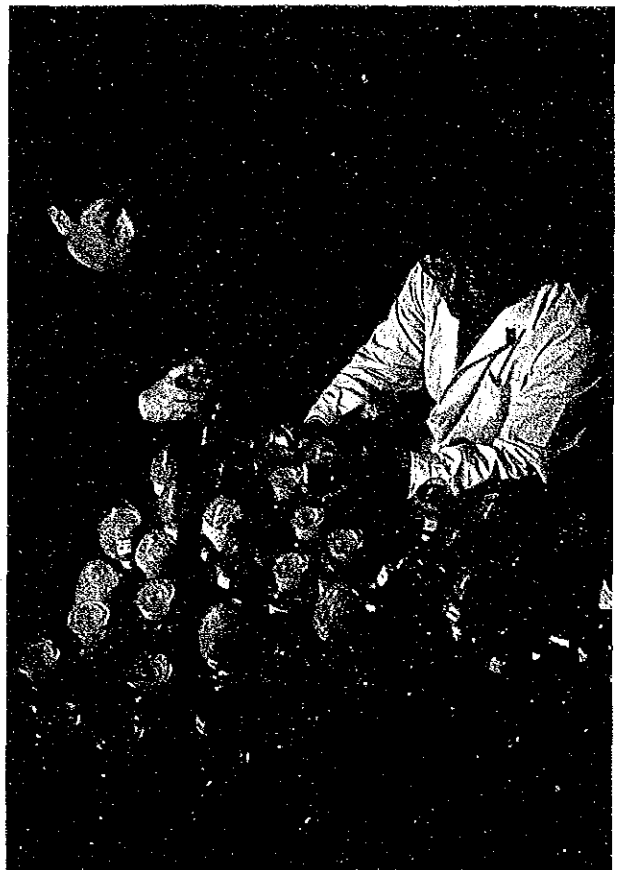
(JICA Chugoku International Centre)

poverty issue primarily concerns Chinese domestic income distribution, in the areas that Japanese experience and technology can be exploited, national land planning to correct disparities between regions is introduced and support for the physically disabled is provided.

### Human Resources Development in the Private Sector—Mongolia—

In Mongolia, JICA provides intellectual support to government sectors to strengthen taxation functions and legislative measures in order to develop human resources who can lead the transition from socialism to a market economy. Starting in fiscal 2002, JICA focuses on human resources development in the private sector with the help of the Mongol-Japan Human Development Center. In addition, JICA engages in technology transfer\* in the areas of railroads, road construction and power supply, all of which are the basis for industrial development.

Farming and cattle-breeding account for more than 30% of the Mongolian GDP. JICA is cooperating to enhance the development of agriculture as one of the nation's key industries, specifically by facilitating statistical information. A natural disaster known as *Zud* (snow damage) killed many farm animals in 2002, as it did in 2000 and 2001. The great number of deaths was partly caused by deterioration in grass quality due to a sudden increase in the number of farm animals and the socio-economic factor of a lack of disaster planning capabilities. To respond to these problems, it is important to build institutions and organizations that can carry out sustainable



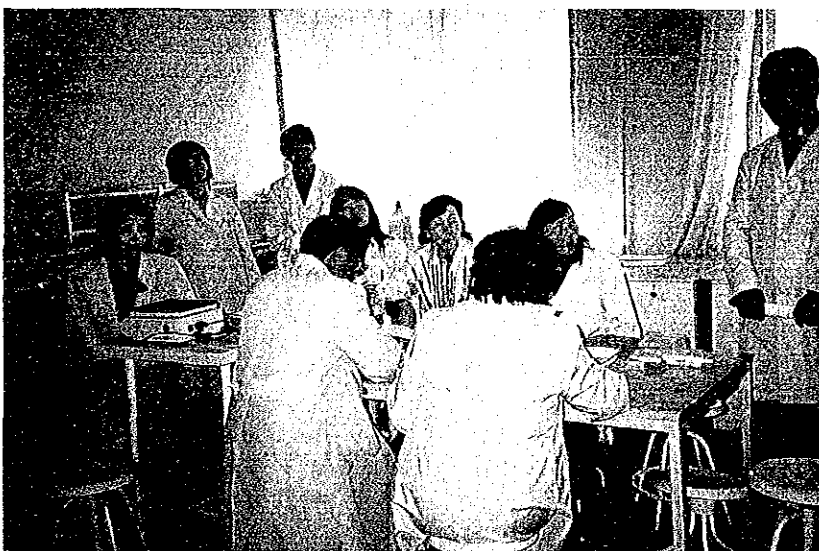
Japan-China Friendship Environment Conservation Center

management of farming and cattle-breeding.

Changes in the political system have brought about a sudden deterioration in social services such as education and health and medical care. Rural areas, in particular, are seriously affected by shortages in financial and human resources. JICA therefore plans to extend cooperation for rebuilding

schools and communications networks, and to extend support for education on information technology (IT) as a step toward the future, while placing emphasis on improvements in rural living conditions.

Also, because Mongolia is blessed with valuable natural resources scattered throughout its vast territory, JICA will explore possibilities for cooperation that will help expand the use of these lands, which until now have been used primarily for nomadic grazing, to include tourism through proper protection and management.



The Project for the Improvement of Technology on Diagnosis of Animal Infectious Diseases in Mongolia





# Central Asia and the Caucasus

## **Pillars of Aid** Building an Independent Country

The countries of Central Asia and the Caucasus are confronting major problems on their paths to nation-building. Under communism, dependency on the Soviet Union and strong central government were fostered, and a clear division of labor existed between the individual countries. This now means that much of the societal and industrial infrastructure\* required by independent nations is lacking. Consequently, there is a need for many reforms, including abandoning the former system, the establishment of democratic institutions and, the adoption of a market economy. At present, there is a shortage of people sufficiently qualified to push these reforms through.

To support nation-building and stable development in the countries of Central Asia

and the Caucasus, JICA is providing cooperation with emphasis on policy advice aimed at implementing a market economy, human resource development, and the upgrading of basic infrastructure.

Since independence, various problems have arisen that were scarcely given a second thought while the Soviet Union was still in existence. Environmental problems are particularly serious. One typical example is the ongoing salt damage and shrinkage of the Aral Sea. Too much water has been drained in a wholly unplanned and uncoordinated manner from the rivers that flow into the Aral Sea, rivers that have become international since the collapse of the Soviet Union. This is a characteristic example of a problem caused by the large-

scale and inefficient systems in operation during the days of the Soviet Union. Such problems are becoming increasingly complex. In order to tackle environmental problems in this region, JICA has dispatched experts for environmental monitoring and is cooperating on specific topics such as preservation of biological diversity\*.

Various problems have arisen on account of the rapid changes that have been occurring within society, but JICA is placing particular importance on efforts in the health and medical areas closely linked to civil life. Cooperation will continue to be provided to upgrade infrastructure from the Soviet era, which is becoming increasingly inefficient and ineffective.

## Current State of Development

### Complex Ethnic Mix

Central Asia consists of the five nations of Uzbekistan, Kazakhstan, Kyrgyz, Turkmenistan, and Tadjikistan, while the Caucasus comprises the three nations of Azerbaidjan, Armenia, and Georgia. These two areas are located in the center of the Eurasian continent; combined, they cover an area of 4.2 million km<sup>2</sup> and have a population of around 70 million. This is a strategic location on the Silk Road that has historically linked east and west. The northern part of the area has witnessed constant territorial conflicts among the nomadic peoples who live there. From the 1920s onward, the countries in this region formed part of the Soviet Union, but they gained their independence when the Soviet Union disintegrated in 1991.

People of many different ethnic backgrounds have lived in this area since ancient times. Russians and other peoples settled the area in early modern times, and this area today has a complex ethnic mix. In terms of religion, the five nations of Central Asia and Azerbaidjan have a relatively strong Islamic influence, with Uzbekistan and Tadjikistan increasingly reverting to Islam since achieving independence.

In contrast, Armenia and Georgia are dominated by the Christianity of the Armenian and Georgian orthodox churches, and both countries have their own languages and cultures.

### Toward True Self-sufficiency

All the nations of Central Asia and the Caucasus must dismantle the system imposed by the former Soviet Union, and establish the political and economic systems they require as independent nations. The basic indices relating to education, health care and social services are generally high in comparison with other so-called developing nations. However, since independence, the inefficiencies of the planned economic system that was applied during the former Soviet Union era, the dilapidation of facilities and machinery, inadequate maintenance control, insufficient energy, and the loss of markets due to the collapse of the former Soviet economic zone, have led to chaos across their societies and economies. A priority for these countries is therefore to establish systems and structures appropriate for their status as truly independent nations.

Each country is continuing with efforts aimed at moving from a planned economy to a market economy. However, 10

years have passed since independence, and differences in the speed of transition are becoming clear. Considerable results have been achieved on the macroeconomic front, but the gross national product (GNP) of almost all the countries remain as low as half of what they were at the times these countries achieved independence. Nation-building must take place in parallel with economic reconstruction if the economic and living standards of the people are to be restored and raised.

### Diversifying Political and Economic Conditions

As regards economic reform, Kazakhstan, Kyrgyz, and the three countries of the Caucasus are moving firmly in the direction of price liberalization, privatization, deregulation, trade liberalization, and other types of structural reform in line with the prescriptions of the International Monetary Fund (IMF) and the World Bank. On the other hand, Uzbekistan and Turkmenistan are distancing themselves from these radical programs and following their own distinctive paths. In February 2002, Uzbekistan commenced a new program with the IMF in consideration of the gradual abolition of the multiple exchange rate system, and has launched a revolutionary movement. Tadjikistan has embarked upon full-scale reconstruction and economic reform after years of civil war.

Farming is the main industry in this region. Central Asia generally has a dry climate, while the Caucasus mainly falls within the Mediterranean climatic zone; farming occurs in line with the climatic and natural conditions of the individual areas. The region as a whole has a plentiful supply of mineral resources including petroleum, natural gas, and rare metals, and there are several countries where primary manufacturing industries are well developed. Azerbaidjan, Kazakhstan, and Turkmenistan are rich in resources and have a strong interest in developing their respective resources and in establishing export routes. On the other hand, as a nation without its own resources, Georgia is attempting to establish a role for itself as a conveyance route for energy.

Albeit to a decreasing degree, these countries are still reliant on Russia, and the Russian financial crisis of 1998 had a severe effect on all the countries in this region through a major decline in exports to Russia, a decrease in remittances sent home by workers who had gone to Russia for work, and the withdrawal of foreign investments.

In international relations, Kazakhstan and Kyrgyz concluded a compact with Belarus in March 1996, to strengthen the union between the three nations, and they have indicated support for the idea of strengthening the Commonwealth of Independent States (CIS) centering on Russia. On the other hand, Uzbekistan and Turkmenistan have tended to take an independent course of action. In five countries in Central Asia, although cooperation with respect to security and public peace are progressing, the interests of each country in the areas of

economy and water resource management do not necessarily conform, and it seems to take much more time to make progress in these areas.

The Caucasus, Azerbaidjan, and Georgia are strengthening their links with the West, particularly in connection with petroleum development, whereas Armenia is allying itself with Russia in security matters. In addition, Azerbaidjan and Armenia continue to dispute possession of the Nagorno-Karabakh enclave.

## Front Line Regional Tourism Promotion for Uzbekistan

Nara

### Training Participants Hold an Uzbekistan Tourism Exposition

Acceptance of Technical Training Participants

#### ◆ Teaching prefectural citizens all about Uzbekistan

On March 9, 2002 an Uzbekistan tourism exposition was held at a shopping mall in Nara City. The event was part of the Regional Tourism Promotion for Uzbekistan, a country-specified training course that started in fiscal 2001 in order to help training participants introduce their native country's culture and history.

This training program was the first one implemented with the direct cooperation of the Osaka International Centre and Nara Prefecture under a five-year plan whose purpose is cultivating human resources for the Uzbekistan tourist industry.

The understanding and cooperation of the prefectural residents are indispensable for the implementation of the training program. However, not many prefecture citizens know about Uzbekistan. The exhibition was created to inform people about Uzbekistan. The International Promotion Section and the Cultural Tourism Section of

Nara Prefectural Office planned and managed the event, with the support of the regional coordinator\* for international cooperation who was assigned to the section in August 2001.

#### ◆ Uzbekistan ambassador attends

On the day of the event, ethnic clothing and posters were on exhibit at one corner of a shopping mall, and nuts and small dolls from Uzbekistan were given away to visitors. During a break between the presentations by training participants, visitors were able to put on the ethnic clothes for photos. Uzbekistan's government has high expectations for the training program and Uzbekistan's ambassador to Japan, Mirsobit Ochilov, visited the exhibition, as well.

The event attracted much attention from visitors. One said, "I was happy to be able to wear ethnic clothes," while



A training participant makes a presentation.

another commented, "I previously did not understand the history that well." One person mentioned, "The discussion about cooking was interesting."

The event provided the people of Nara Prefecture with an opportunity to become familiar with Uzbekistan through the term 'Silk Road.' In addition, it was a chance for the participants to learn methods of tourism promotion for their home country, making it a very significant event.

(JICA Osaka International Centre)

## Addressing Priority Issues in JICA Programs

### Supporting Self-sufficiency among the Newly Independent States

In July 1997, Japan's then prime minister, Ryutaro Hashimoto, announced the "Silk Road Diplomacy," a national policy that involves diplomatic relations with Central Asia and the Caucasus. JICA has provided cooperation in four main areas with the aim of supporting self-sufficient development in this region, namely: (1) support for transition to a market economy; (2) infrastructure development centering on transportation and communications; (3) cooperation with social sectors such as medical care and education; and (4) conservation of the environment.

Support for the introduction of a market economy has been taking the form of advice on macroeconomic and long-term development of planning policy, master plans on specific topics such as the promotion of small and medium-sized enterprises, and intensive technical guidance. In the field of transportation and communications infrastructure, JICA has cooperated on the upgrading of railways, roads, and airports. JICA has also provided support for policies relating to the environment and health and medical care systems. Other areas of cooperation include basic industries such as agriculture and mining.

We are also working on human resources development to support democratization in Tadjikistan, which remains unstable despite the end of the civil conflict there.

JICA has set up offices in Uzbekistan and Kyrgyz as bases



Cultural Activities at a Japan Center in Uzbekistan (Tea Ceremony)

for the provision of technical cooperation in this region. In addition, the JICA office in the United Kingdom will provide follow-up activities in the countries of the Caucasus. Furthermore, Japan Centers\* have been set up in Uzbekistan and Kazakhstan to offer human resources development programs to support the transition to a market economy, and to provide Japanese language courses and information on Japan aimed at increasing local awareness of Japan.

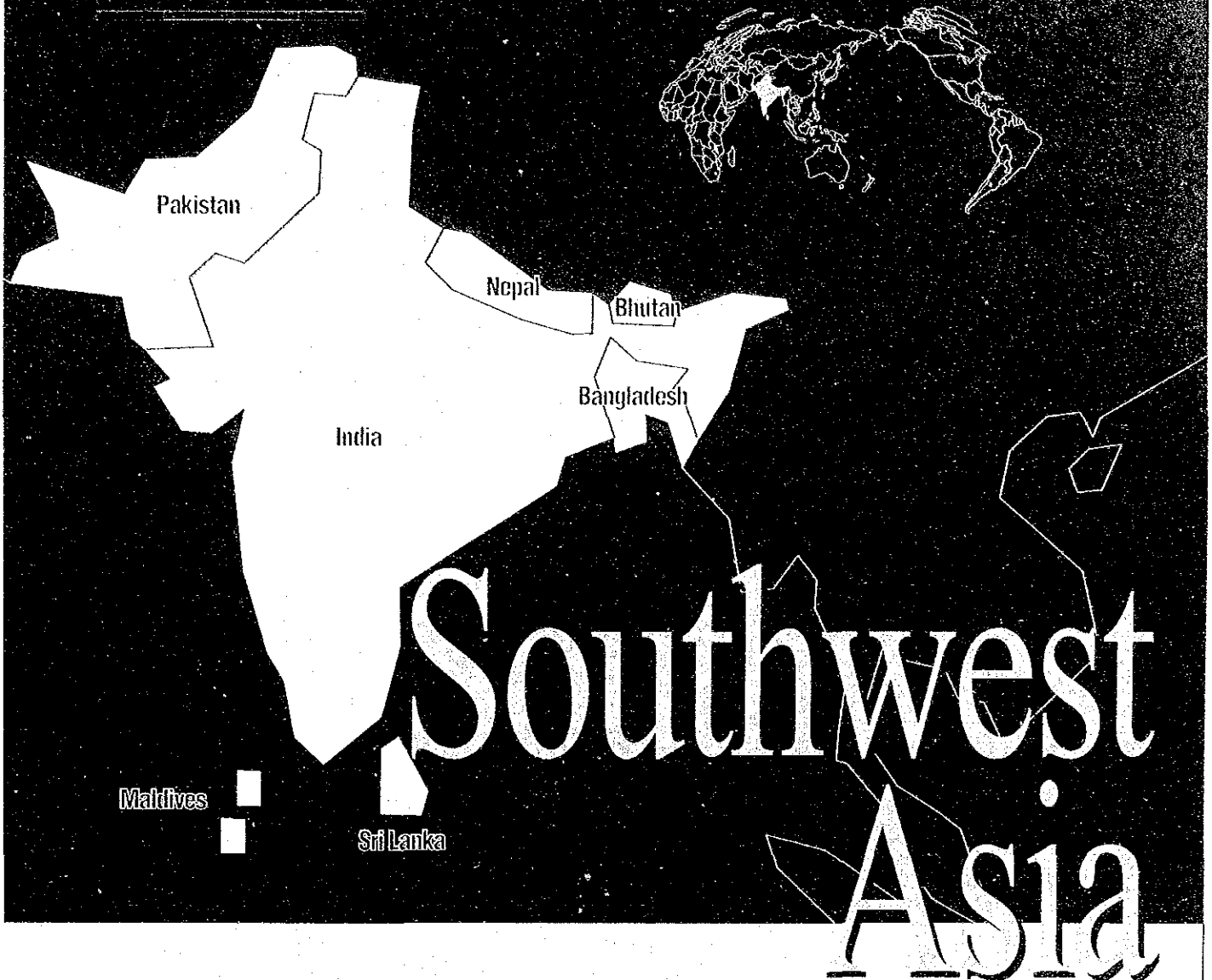
### Review of Priority Areas

Because differences in progress and priorities have begun to emerge clearly after 10 years of independence in the region, JICA set up the Study Committee for Development Assistance to Central Asia in 1999 and reviewed priority areas for cooperation with Uzbekistan, Kazakhstan, and Kyrgyz. Following this, the Japanese government dispatched a comprehensive study team on economic cooperation to Uzbekistan in November 2000, and entered into an agreement with the government of Uzbekistan to deepen cooperation in three major areas: promotion of the market economy; infrastructure development; and the reconstruction of social sectors.

### Further Efforts to Bolster Security

On the other hand, the underlying ethnic and religious makeup of this region is complex. Unstable political conditions following the collapse of the Soviet Union have led to terrorist activities, civil war, and conflict in some parts of the region. In fact, several incidents involving Japanese aid personnel have occurred in this region: the shooting in 1998 of United Nations personnel, including Yutaka Akino (a Japanese official who was in Tadjikistan as a member of a United Nations inspection team), and the abduction in 1999 of a Japanese engineer in Kyrgyz. Although conditions have been stable in recent years, utmost vigilance is called for due to the activities of radical Islamic forces.

In order to proceed with cooperation in the region, JICA is planning to give further consideration to public order and security measures.



## **Pillars of Aid** Eradication of Poverty is the Common Agenda

In Southwest Asia, which has about half of the world's poor population (the poverty line is represented by an income of one US dollar per day), eradication of poverty is the common agenda\* of the region.

It is important to formulate well-balanced cooperation combining activities for the improvement of basic living standards and for the stable development of the economy, and to implement this cooperation taking into account the specific needs of each country in

the region.

For this purpose, JICA is providing a wide range of assistance in fields indispensable for daily living (such as health and medical care, education and ensuring the supply of safe water) and for economic development (such as the development of the agriculture, small- and medium-sized enterprises and economic infrastructure\*).

In addition, because the region is densely populated, which means that people's lives

have a great impact on the natural environment, JICA is providing cooperation that focuses on the preservation of the natural environment and urban environmental problems.

It is also necessary to consider approaches to structural issues by examining reasons why the region has so many poor people, and why the number of poor people does not decrease despite economic development.

## Current State of Development

### Development of Industry to Replace Agriculture and Textiles

Southwest Asia consists of seven nations: Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka. It has a population of approximately 1.3 billion, or one-fifth of the global population. 560 million people in the region are classified as poor—around half of the world's poor.

For the past several years, the economic growth of Southwest Asia, excluding certain nations, has been progressing at about 5% annually, which seems comparatively good, but poverty still persists. In the region, factors such as

ethnicity, religion, language, and climate are complexly related to politics and society, contributing to social and cultural diversity as well as instability.

With the exception of the Maldives, where the main industries are tourism and fishing, the industrial structure in the countries of Southwest Asia greatly depends on agriculture. As the industrial products are mainly textiles, it is necessary to improve international competitiveness in terms of price, quality, and added value. The growth of the Indian software industry has provided valuable stimulation to neighboring countries, which are individually in the process of developing an

## Front Line

### Pakistan Regional Administrative Training for Democratization Assistance

Sapporo

Democratization Assistance Training Course was Implemented in Sapporo

Acceptance of Technical Training Participants

#### ◆ First local election conducted

With the cooperation of the city of Sapporo, a democratization assistance training course, which is the first training course in regional administration for Pakistan, has been scheduled with a two-year plan at the Hokkaido International Centre, Sapporo. Five national government officials who are also executives in Pakistan's local governments, came to Sapporo to participate in the first training course.

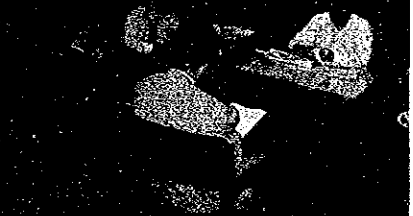
In Pakistan, municipal leaders and local assembly persons are traditionally not chosen by, but rather the entire administration is operated by national government officials dispatched from the central government. The concept of a "local self-government" is not commonly held. The central government, which aims to shift from a military administration to a civil one, carried out local elections in every municipality by August 2001, electing a municipal leader and local assembly members for each municipality. Currently, however, there are many questions. What kind of

relationship will be built between the national government official who is traditionally dispatched from the central government and the new leader? How will local taxes be collected? And will local funds be used for regional development? Details with regard to municipal management must be worked out.

#### ◆ Joint training of Pakistan and Palestine

In this training course, participants learn municipal management skills from the city of Sapporo, which provides administrative services to 1.8 million citizens. Originally, the training course was scheduled to start in December 2001, but it was postponed due to the effects of military operations of the United States in Afghanistan. Sapporo has offered similar training courses for Palestine since 1999, and this time, the course simultaneously received participants from both regions.

For one month starting on January 14, 2002, the participants attended lectures on how the regional election system and the opinions of the citizens



On-site survey for Pakistan Democratization assistance

should be reflected in the municipal regulations, and at the same time visited a ward office resident service to see the local administration in action. During this training course, the participants were not satisfied with understanding only the current situation in Japan, but actively posed questions regarding historical circumstances and comparisons to other countries. The enthusiasm for establishing and developing future regional administration in Pakistan was palpable.

(JICA Hokkaido International Centre, Sapporo)

industry to replace agriculture and textiles.

Trade is focused on agricultural products as the major export items, and capital goods, such as machinery, equipment, and raw materials, all of which are necessary for manufacturing, are the major import items. This means that these countries' economies are easily affected by fluctuations in climate and the international prices of primary goods, a situation that has resulted in most of the countries constantly running trade deficits.

### **Impact of the Terrorist Attacks in the U.S.**

It is not an exaggeration to say that the terrorist attacks that occurred in United States on September 11, 2001, had a large impact on this region. The countries that are constantly in conflict with neighboring nations and which face domestic destability took major blows to their economies. Moreover, as

the international community has acknowledged that poverty is a root cause of terrorism, the importance of poverty alleviation in southwestern Asian countries with large impoverished populations became clearer.

In January 2002, the South Asian Association for Regional Cooperation\* (SAARC) summit was held in Nepal for the first time in three-and-a-half years. Greater economic activity in the countries of the region is expected to contribute to regional stability.

In October 2001, Japan discontinued the sanctions against India and Pakistan in response to nuclear testing in May 1998 due to their support for the war against terrorism.

Moreover, in 2002 Japan will celebrate the 50th anniversary of establishing diplomatic relations with India, Pakistan, and Sri Lanka, as well as the 30th anniversary of ties with Bangladesh, with which Japan now enjoys broad interaction.

## **Addressing Priority Issues in JICA Programs**

### **Aid Reaching the Community Level —Bangladesh—**

Bangladesh is one of the most impoverished countries in Southwest Asia and is affected almost yearly by floods and cyclones, causing much loss of life and property.

In 2000, Japan formulated the Country-Specific Aid Program, specifying priority areas for aid: (1) agriculture and rural development; (2) improvement of social areas; (3) investment encouragement and export promotion; and (4) disaster



Immunization in Bangladesh

control. In October 2001, the political situation changed as a result of Japan's general elections, and in February 2002 Japan dispatched the Economic Cooperation Policy Consultation Study Team, which confirmed that the above four areas will continue to be a priority between the new regime and Bangladesh.

Cooperation for Bangladesh is in the long run meant to extend aid effects from the central government to the community level. In the health care field, for instance, while the Project of Human Resources Development in Reproductive Health\* (technical cooperation project) is implemented at the central level to train practitioners of maternal and child health care at the community level, the Reproductive Health Regional Development Project (Development Partnership Program\*) is carried out in cooperation with an NGO to improve the conditions with regard to regional reproductive health. In addition, with regard to arsenic pollution of underground water, a problem that plagues all of Bangladesh, JICA is engaged in securing safe water resources together with an NGO so that the residents can drink water safely.

## Widening Economic Disparities—India—

India has been witnessing stable economic growth in recent years due to the development of IT-related industries. However, the nation is confronting a number of problems that include the existence of an extremely large number of poor people, which accounts for as much as one-third of the population, environmental deterioration that accompanies the rapid economic growth, and economic disparities.

Following a visit to Japan by India's Prime Minister Vajpayee in December 2001, Japan sent the Policy Discussion Mission in March 2002 and confirmed that the aid priority areas for India are antipoverty measures (health and medical care and rural development), environmental conservation, and improvement of the economic infrastructure. With regard to environmental conservation, in particular, as the contamination of India's holy river, the Ganges, has become worse it has become one of India's national issues, and was discussed in



Local activities in the project for Prevention of Emerging Diarrheal Diseases in India

the Japan-India Summit Conference, prompting Japan to prepare for the implementation of the Watershed Management Plan Study on Ganges River Contamination.

## Front Line Textile Guidance

### Nepal

### Aiming for Internationally Competitive Designs

Japan Overseas Cooperation Volunteers

#### ◆ A lot of excellent handicrafts are out there

Katmandu, the capital of Nepal, is a noisy city filled with dust and exhaust fumes from old cars and three-wheeled vehicles. Car horns beep loudly and carryall conductors shout out destinations repeatedly. People overflow the town. Identical shops line the bazaar. The stores are crammed with handicrafts, one of Nepal's industries, actively making deals with visiting tourists.

In July 2001, a JOCV was dispatched to this country for textile guidance. Nepal has various excellent handicrafts reflecting its multiracial culture. These goods are excellent in the traditional sense, but in terms of design, the balance in shape and color scheme doesn't meet contemporary needs. In order to export these handicrafts, refined elements with traditional simplicity are required. The main duty of the volunteer is to give appropriate advice to producers.

#### ◆ An oddly shaped hat

For instance, in making a certain bag, the volunteer provided instruction only on the design frame in terms of fabric choice and color scheme so that the Nepalese staff could demonstrate its superior work on the rest of the design. As a result, they came up with a product with a modern design that made the best use of Nepalese traditions. However, due to differences in culture, there were some slight misunderstandings.

There was an order from Japan for felt hats shaped like birthday cakes. A picture of a birthday cake with candles on top was used as a model, but the resulting hat had a completely different shape. It was covered with horns and looked like some kind of Viking design. The reason is that birthday cakes with candles are not common in Nepal.



Nepalese handicrafts and producers

Surprised at the unexpected interpretation, the JOCV acknowledged that cultural differences were the cause.

The trial-and-error approach is always used to produce goods that are high in demand and which respect Nepalese ideas. These activities are passed on to Nepalese women who make the handicrafts, and thus become more economically independent.

(JICA Nepal Office)



## Concerns for Anti-government Organization Activities—Nepal—

Nepal is one of the most impoverished countries in the world due to social and cultural divisions such as race and caste, and steep mountainous geographical conditions that diminish the effects of development. Therefore, JICA believes that improving poor people's living standards should be the primary objective of cooperation for Nepal, placing emphasis on support in basic human needs\* (BHN) such as health care service, primary education, agriculture and rural development, and environmental conservation including disaster prevention plans in the implementation of cooperation projects. Specifically, in addition to the tuberculosis control project that is part of the infectious disease control measures, Japan plans to promote cooperation in the health care and population fields through Japan-U.S. cooperation. In the agricultural field, the mini-project-type technical cooperation on Sericulture Promotion has been implemented to develop farmers' sericulture management skills and to improve their capacity for disseminating these techniques and skills, thus contributing to increases in income for poor farmers in the mountainous areas. In the western area, the Rural Development and Forest Conservation Project (Phase 2) is being promoted to combine rural development and forest conservation with resident participation.

Nepal has seen an increase in recent years in activity by Maoist antigovernment guerrillas. When Japan provides cooperation, special attention is needed to gather security information and take safety measures.

## Democratization and Election Support—Pakistan—

In Pakistan, the Musharraf administration, which came to power through a bloodless coup in October 1999, has implemented various reforms to accomplish national reconstruction and democratization. However, the terrorist attacks in the US harmed the country socially and economically.

In March 2002, Pakistan President Pervez Musharraf came to Japan and during the summit meeting, Japanese Prime Minister Koizumi expressed his expectation for democratization through the general elections scheduled for October as well as Japan's support for the election.

At present, technical cooperation is provided in the fields of democratization, health and medical care, education, environment, economic infrastructure, and agriculture. For the future, in combination with grant aid, Japan will assist the Pakistan government in addressing poverty alleviation and economic recovery.

## Technical Cooperation Begins in IT Field—Sri Lanka—

Technical cooperation is easy to provide in Sri Lanka owing to its high levels of income and education compared to other countries of Southwest Asia, resulting in cooperation activities in a wide range of fields.

In fiscal 2001, JICA dispatched experts for policy support in the fields of medical care, vocational training, and industrial development. To prepare for cooperation in the IT field, a study began in fiscal 2001 and the Multi-Media Center Project (technical cooperation project) was launched in fiscal 2002. Furthermore, in cooperation with the Japan Bank for International Cooperation\* (JBIC), support for improvements in water and sewage, roads, and power supply were provided.

Now the 20-year-old civil conflict has been suspended indefinitely and peace negotiations are underway. Due to the effects of the conflict, cooperation in the northeastern district, which is the poorest area, lags behind that in the rest of the country. Japan will contribute to peace-making through recovery support.



Dental Education Project at University of Peradeniya in Sri Lanka