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Part II • JICA's Regional Activities

Chapter 1 Asia

- 1. Southeast Asia 36
- 2. East Asia 40
- 3. Central Asia and the Caucasus 43
- 4. Southwest Asia 46

Chapter 2 Middle East 49

Chapter 3 Africa 52

Chapter 4 Latin America

- 1. Central America and the Caribbean 57
- 2. South America 60

Chapter 5 Oceania 63

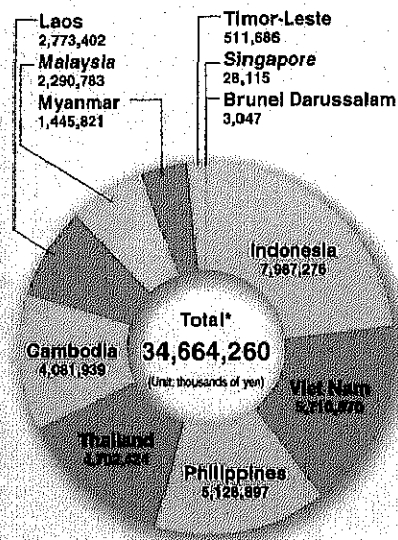
Chapter 6 Europe 66

Southeast Asia



Pillars of Aid Comprehensive Cooperation toward ASEAN Integration

■ Cooperation results by country (FY2004)



* Total amount of cooperation provided to the countries listed in the graph

The Southeast Asian region consists of 11 countries: 10 member states of the Association of Southeast Asian Nations (ASEAN), namely, Indonesia, Cambodia, Singapore, Thailand, the Philippines, Brunei Darussalam, Viet Nam, Malaysia, Myanmar, and Laos, and Timor-Leste, which officially gained independence in 2002. The region, which covers an area of 4.497 million km² (12 times the size of Japan), is inhabited by 530 million people (four times the population of Japan).

Situated between China and India, the region has long been a center of ocean passage and commerce. Influenced by the Chinese, Indian, and Islamic civilizations, the region has developed cultures and societies with variety and diversity. The region was under colonial rule by world powers after the 16th century and was involved in the Second World War and the subsequent Cold War. Some countries were pushed onto battlefields, and economic and social systems differed from country to country.

However, Indonesia, Singapore, Thailand, the Philippines, and Malaysia formed ASEAN in 1967 with the aims of achieving economic growth and regional peace, and Viet Nam, Laos, Myanmar, and Cambodia joined in succession after 1995, thus accelerating the speed of integration. In 2000, the Initiative for ASEAN Integration was adopted by member countries to correct regional disparities within ASEAN and improve the

competitiveness of the region.

The commerce between Japan and Southeast Asia has flourished over the years, and the close relationship is still maintained in every aspect, including politics, economy, and culture. Since Southeast Asia is a priority region that may greatly affect the security and prosperity of Japan, ODA amounting to 12 trillion yen was provided for 50 years starting in 1954, contributing to the development of individual countries as well as the whole region in various ways.

ASEAN is the largest cooperation target for JICA, too. In view of the economic and regional integration of ASEAN, JICA is engaged in detailed cooperation in accordance with the degree of development of individual countries. In particular, the following tasks are identified as the four pillars of assistance for regional issues common to all ASEAN countries: (1) assistance for the promotion of growth led by the private sector and for strengthening international competitiveness; (2) assistance for the correction of inter-regional disparities; (3) assistance for poverty reduction; and (4) measures against terrorism and piracy. To help with relief after the Great Sumatra Earthquake and Indian Ocean Tsunami Disaster that occurred in December 2004, JICA dispatched Japan Disaster Relief teams and now continues to carry out various cooperation for reconstruction in Indonesia and Thailand.

Current State of Development

Since the adoption of the ASEAN Vision 2020 in 1997, ASEAN has reinforced regional cooperation covering every area, including economy, politics, security, and culture. In particular, free trade agreements within the region have been actively promoted toward economic integration. The economic growth rate of ASEAN as a whole was 5% in 2003, showing steady growth without turning to a negative growth after 1999.

In contrast, before regional integration can take place, the following issues need to be solved.

- (1) Correction of regional disparities between the original signatories of ASEAN, which have advanced to become more developed countries, and those countries which joined ASEAN in the 1990s, including Viet Nam, Laos, Myanmar, and Cambodia
- (2) Assistance for the socially vulnerable in each country
- (3) Development of infrastructure necessary to push forward economic integration
- (4) Strengthening economic policy management capacity

- (5) Promotion of the public sector, including small and medium-sized enterprises

- (6) Control for infectious diseases including avian flu

- (7) Measures against terrorism and piracy

As information, telecommunications, and transportation develop, the relationship between ASEAN countries and Japan has grown deeper not only in terms of politics, economy and society, but also at an individual level. In the area of economy, negotiations on the Economic Partnership Agreements are underway to establish close economic ties. Prompted by the conclusion of the Economic Partnership Agreements with Singapore in 2002, a basic agreement has been recently reached with Thailand, following the Philippines and Malaysia, while there are ongoing talks with Indonesia. Talks with the whole ASEAN region have also begun. The conclusion of the Economic Partnership Agreements will cement the relationship between Japan and Southeast Asia, and it is fair to say that it has reached the stage where the political stability and economic development of

ASEAN are directly connected to the security and prosperity of Japan.

Japan's ODA to Southeast Asia has played a significant role in regional economic development. A foundation to attract investment and trade has been built by developing socioeconomic infrastructure, developing human resources through development assistance, and supporting policies and systems. When taking a look at the performance of JICA in fiscal 2004, cooperation for Southeast Asia occupies the largest share of overall cooperation. Placing priority on comprehensive assistance toward ASEAN integration, JICA iden-

tifies the following tasks as the four pillars of assistance common to all ASEAN countries: (1) assistance for the promotion of growth led by the private sector and for strengthening international competitiveness; (2) assistance for the correction of inter-regional disparities; (3) assistance for poverty reduction; and (4) measures against terrorism and piracy. Based on these pillars, JICA will continue cooperation in line with the level of income and the progress of market economies in individual countries, as well as the history and outcomes of cooperation in the past, while striking a balance between sustainable economic growth and poverty reduction.

Addressing Priority Issues in JICA Programs

Promotion of Growth Led by the Private Sector and Strengthening International Competitiveness

The most important development issues to be addressed by ASEAN today are sustainable economic development in individual countries and promotion of economic partnership. The five original members of ASEAN need to strengthen the management capacity of economic policies, reform governance, and promote economic partnership within and outside of the region. The four countries, which joined ASEAN in the 1990s, including Viet Nam, Laos, and Cambodia, must accelerate the ASEAN integration process by smoothly pushing forward the promotion of industry, development of human resources who support the industry, and development of economic infrastructure and institutions. Assistance for these countries has the proactive implication of establishing a solid and regionwide economic relationship with ASEAN, the most important region for Japan, in terms of the mobility of investment and people.

Based on this notion, JICA identifies support for the promotion of growth led by the private sector and for the improvement of international competitiveness as the most important pillar of assistance for ASEAN. In specific terms, JICA provides cooperation emphasizing the strengthening of management capacity of economic policies, the promotion of small and medium-sized enterprises and the private sector, the development of industrial human resources, the development of economic infrastructure, the development of institutions, governance reform and improvement, and the reinforcement of economic partnership.

For example, in order to assist Indonesia's reform process from the policy aspect, JICA launched the Economic Policy Support Program in March 2002 under an agreement between the leaders of Japan and Indonesia. The Program has held expert meetings, six times in Jakarta and three times in Tokyo, with the aim of proposing policy recommendations to the Indonesian government. The activities are centered on policy dialogue between Japanese experts and Indonesian cabinet-level officers, and incorporating policy studies, and have resulted in important recommendations on critical issues such as the method of government bond redemption and graduation from the IMF program in a timely manner. International organizations such as the International Monetary

Fund (IMF) and World Bank pay attention to its efforts as a new and successful example of Japan's intellectual assistance. Tokyo Seminar on Indonesia 2004 was held as a masterpiece of the program in August 2004, inviting relevant personnel from Japan and Indonesia. Matters discussed at the seminar include such primary policy issues as decentralization, macro economy and fiscal management, financial sector reform, trade and direct investment and economic integration, and promotion of small and medium-sized enterprises. Opinions were actively exchanged on the direction of reform and methods of policy management.

Viet Nam has been undergoing a shift to a market economy and open-door policy; however, issues regarding the undeveloped legal system and drawbacks in law enforcement have been obstacles. In response to a request made by Viet Nam, JICA launched the Core Support for Important Policies (Japanese Technical Cooperation in the Legal and Judicial Field, Phase 3) in 1996, and since then has provided cooperation on formulating various draft laws and developing legal professionals through the dispatch of experts and training of judiciary personnel. As a result, a civil procedure code and bankruptcy laws were enacted in June 2004. For the amendment of civil law, a joint study group was set up within the Ministry of Justice of Viet Nam and Japanese researchers and experts gave advice on amendment draft of civil law, provided instruction, and held workshops locally. Finally, the amended civil law passed the Parliament of Viet Nam in May 2005.

Correction of Inter-regional Disparities

In order to make ASEAN integration a reality, it is necessary to raise the level of the four countries that joined ASEAN in the 1990s. The Development of Mekong River Basin is currently underway as regionwide development crossing national borders that targets Mekong River basin countries—Viet Nam, Cambodia, Myanmar, and Laos—in addition to Thailand and Yunnan Province in China, and JICA is involved in this program in various forms.

In Cambodia, the Trans-Asia Highway, or Route 1, is currently under construction with the help of Japan's grant aid and the Asian Development Bank. This highway connects Phnom Penn and Ho Chi Minh City from east and west.

JICA implemented the Study in Construction of the Second Mekong Bridge in the Lao People's Democratic Republic and the Kingdom of Thailand, which was necessary to build a bridge at the point where Route 1 crosses the Mekong River. In Viet Nam, JICA conducted a detailed design study for the construction of the terminal at the Cai Mep-Thi Vai International Port, which is expected to serve as a hub of distribution in the south. In addition, JICA will cooperate on the National Highway Network Project in Luang Prabang, which is famous as a World Heritage Site, as well as development of ports in Cambodia.

The Initiative for ASEAN Integration recognizes human resources development as a priority issue in addition to the development of information and communication technology and infrastructure. In this area, JICA promotes active cooperation for the four latecomers, in cooperation with the more developed original members of ASEAN with a long history of cooperation with Japan. For example, JICA offers training for the four countries in the Mekong River basin in Singapore to transfer know-how that will lead to the promotion of economic growth and the improvement of international competitiveness, such as the promotion of small and medium-sized enterprises, development of security markets, and cultivation of entrepreneurs. Furthermore, training in airport control skills for Cambodia is conducted in the Philippines, and training in vaccination skills for Viet Nam and nursing technique for Cambodia in Malaysia. As such, detailed support meeting the needs of individual countries are being provided.

Poverty Reduction Based on the Perspectives of Human Security

Reducing poverty is of no less importance for ASEAN

integration than raising the level of the four latecomers. Although the development of ASEAN is remarkable, 15 million people in Indonesia, 10 million in the Philippines, and about 20% of the populations of Cambodia and Laos are reportedly living in extreme poverty (on less than US\$1 a day). Every country is actively implementing measures to improve the living standard of the poverty group. In Indonesia, for example, decentralization is promoted and the legal and administration framework is reformed with the involvement of local residents. JICA will continue cooperation in accordance with the progress of each country.

Specifically, projects that JICA implements to reach directly to the people of the region include: Regional Educational Development and Improvement Program (Indonesia), which focuses on the strengthening of the educational administrative capacity of the local citizens and local governments as part of the support for improvement in basic education; Forest Management and Community Support Project (Laos), whose purpose is conservation of forest resources and the consolidation of sustainable agribusiness in rural areas; and the Reproductive Health Project in Nghe An Province (Viet Nam), which improves rural health services through the reinforcement of health administration related to maternity care while designating Nghe An Province in mid-north of Viet Nam, where there is a lack of midwives, as a model area. In the future, JICA plans to provide cooperation for indigenous people living in the northeastern region of Cambodia and for the improvement of livelihood of the people in the Karen State of Myanmar.

Regional Level Response to Global Issues

In Southeast Asia, there are issues to be solved within the region. They are measures against terrorism and piracy, infec-

Front Line Philippines Support Package for Peace and Stability in Mindanao

Hope for People Who Suffer from Conflicts

Conflict victims suffering from poverty and living in uncertainty

In the Muslim Mindanao region, which is located at the southernmost tip of the Mindanao Islands in the Philippines, public security is poor not to mention political instability, economic stagnation and extreme poverty. The income of the local residents is one-third of the national average, and the indicators of access to basic utilities such as water, electricity, and sanitary toilet facilities are less than half the national average. For peace and security of the area, JICA embarked on a full-fledged assistance in 2003 and is currently providing cooperation in a wide area centered on agriculture, health care, and reinforcement of administrative capacity.

Conflicts spanning over two decades in the Muslim Mindanao region cause economic stagnation, cultivate distrust of

other ethnic groups and dependence on violence among the local people, and deprive the people of hope. Children, women, and those who are injured in conflicts live under particularly severe living conditions among conflict-affected persons.

Consolidating peace and human security

In cooperation with local NGOs, which carry out grassroots activities, JICA implements the following projects: (1) enrichment project for conflict-affected traumatized children; (2) water supply project for indigenous people; (3) literacy education and vocational training for women; (4) promotion of the social integration of persons with disabilities; and (5) improvement of the livelihood of minority groups living on remote islands. In Promoting Community Capacity to Care

for Conflict-affected Children in Central Mindanao, a staff member of a local NGO formed a volunteer group from local residents, providing hand-made education. From concern for the situation that traumatized children are recruited as soldiers, the NGO staff call out to children and young people, "Your arms are there to hold friends, family, and neighbors, not to hold guns to fight." In Progressive Education Support and Accelerated Community-based Entrepreneurship (PEACE) in Mindanao, nearly 800 women participated in literacy courses by March 2005. It is of course important for them to be able to read, but it is also expected that when the women return home, they will explain the importance of education to children and neighbors and actively participate in rural development initiatives by local residents.

(JICA Philippines Office)

tious disease control, environmental conservation, drug control, peacebuilding and reconstruction, rehabilitation and reconstruction from the earthquake and tsunami disaster, and disaster prevention including building tsunami early warning systems. These issues, together with poverty, may impede ASEAN integration.

For example, with regard to drug problems, the influx of drugs from neighboring countries, domestic illicit manufacture, and trafficking of drugs, are all becoming serious social problems in Cambodia, posing significant risks to the security of the country. To counter these problems, JICA promotes educational campaign activities provided by administrators and drug control officers to prevent drug abuse, and conducts training and seminars to improve capacity to control drug-related crime.

It is still fresh in our memory the incident in which the Japanese captain of a tugboat and other crew members were abducted by pirates in the Malacca Strait in March 2005. For cross-border crimes like piracy, JICA will formulate a master plan for measures, develop laws concerning extradition of the accused, and offer training for control officers.

JICA has identified environmental conservation as a primary area of cooperation. For example, JICA exchanges information and management methods between Technical Cooperation Programme for Bornean Biodiversity and Ecosystems Conservation in Sabah, Malaysia and a project

for the conservation of bio-diversity in Gunung Halimun National Park in Indonesia in order to apply the results obtained in the program in Borneo to national parks throughout Indonesia. JICA has also conducted cooperation in air pollution control and the treatment of industrial and household waste in many countries.

Infectious diseases represented by avian flu are still a daily concern. In order to combat newly emerging infectious diseases, JICA promotes the development of human resources who are involved in laboratory management for disease diagnosis (in Viet Nam). JICA is also urgently preparing control for re-emerging infectious diseases such as polio.

As for reconstruction assistance for the disaster caused by the Great Sumatra Earthquake and Indian Ocean Tsunami*, JICA provides cooperation in community reconstruction, redevelopment of administrative and social services, and recovery of the economy in Aceh Province and Nias Island of Indonesia. JICA also offers cooperation in the establishment of disaster prevention and evacuation systems and public enlightenment campaigns in Thailand. In addition, JICA will continue efficient and prompt cooperation, such as training for the establishment of a Tsunami Early Warning System in the Pan-Indian Ocean, incorporating Southwest Asia and Africa.

*See Feature (pp. 10-13) for details.

Front Line Thailand Asia-Pacific Development Center on Disability

From Thailand to the Region—Social Development by the Disabled

Empowerment of persons with disabilities and human security

Approximately 300 million people in the Asia-Pacific region suffer from some form of physical, visual, hearing, intellectual, or mental disabilities, and the majority of them live in developing countries. Although development is in progress in many developing countries in recent years, many suffer from discrimination and poverty without being able to participate in the social and economic activities of the community. They are deprived of basic human needs and even their human dignity is violated.

This project aims to improve conditions through a direct grassroots-level approach to people, including persons with disabilities themselves, in addition to a policy-level approach, in cooperation with NGOs such as local disability organizations and international agencies. The most notable aspect of this project is its emphasis on the empowerment of persons with disabilities as actors in future development instead of regarding them only as beneficiaries of assistance. To build a society in which all people can live with peace of mind, it is expected that persons with disabilities who have been empowered by the project will cooper-

ate with other residents to proactively remove barriers that hinder participation, including discrimination and partiality that exist in people's mind, as well as buildings, transportation, information, institutions, and regulations.

Thus, the project is the very embodiment of the concept of human security because with its focus on individuals, it empowers persons with disabilities to protect themselves and assists them in organizing themselves and forming self-help groups, which will eventually complement the efforts of the government and facilitate social development and solid foundation.

Self-help of persons with disabilities and South-South cooperation

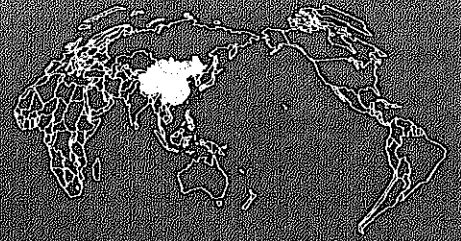
When JICA screened candidates for the center of its cooperation in response to the Asia-Pacific Decade for Disabled Persons launched in 1993 (adopted by the Economic and Social Commission for Asia and the Pacific (ESCAP)), Thailand was selected because leaders of persons with disabilities were working very actively and various NGOs were promoting support at a grassroots level.

Bearing in mind the notion that persons with disabilities in developing coun-

tries know the most about support for persons with disabilities in developing countries, project experts and counterparts have carried out activities vigorously with local leaders of persons with disabilities since August 2002. They have so far visited governments and NGOs in more than 25 developing countries to tap the valuable connections, information, and know-how that they possess. They have also fostered and strengthened those valuable assets through training activities, and have established networks by introducing them to the related agencies through information support activities. In particular, utilizing the disability support know-how of the disabled persons themselves, training courses are provided on independent living and organizing self-help groups in the local community. Most of the instructors of these courses are persons with disabilities and leaders who have profound experience in this area in developing countries. In preparation for the termination of the project in 2007, ex-participants will be followed up and every party involved is making efforts to further activate grassroots support activities for persons with disabilities in each country.

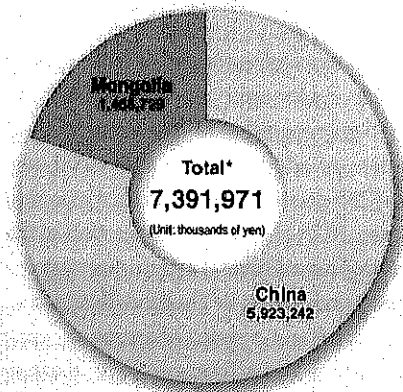
(JICA Thailand Office)

East Asia



Pillars of Aid Review of Aid to China and Assistance for Mongolia

■ Cooperation results by country (FY2004)



*Total amount of cooperation provided to the countries listed in the graph

Japan has provided the utmost cooperation in China's efforts toward modernization since the launch of its open and reform policy at the end of 1970s. This is a reflection of the recognition that China's stable economic growth is in Japan's national interest. Recently, aid policies for China have been reviewed for the following reasons: (1) China's aid needs have changed due to its rapid economic growth and changes in its socioeconomic structure; and (2) Japan's prolonged economic recession has made it necessary to reduce Japan's total ODA. As such, the Japanese Ministry of Foreign Affairs issued the China Economic Cooperation Plan in October 2001.

In line with this plan, JICA implements technical cooperation with a focus on the following four priorities, while paying attention to Japan's support for activities carried out by the private sector and the progress of multilateral cooperation.

- 1) Cooperation towards resolving environmental and other global issues
- 2) Assistance for open and reform policy
- 3) Promotion of mutual understanding

4) Assistance for poverty alleviation

Mongolia's economy fell into chaos due to the breakdown of the COMECON system in 1991. However, the economy has stabilized gradually since 1995 by means of rigid economic stabilization policies and aid from other countries, including Japan. Support for Mongolia, which is in the process of promoting its transition to a market economy, is based on Japan's Country Assistance Program for Mongolia issued by the Ministry of Foreign Affairs in November 2004. JICA's cooperation is conducted in line with this Program, which identifies the following four priority areas.

- 1) Support for the development of institutions building and human resources development necessary for promoting a market economy
- 2) Support for rural development
- 3) Support for environmental protection
- 4) Support for the development of infrastructure to promote economic activity

Current State of Development

China—Remaining Issues Despite Economic Development

China has successfully maintained high economic growth over a long period of time, with an average rate of real economic growth of over 9% per year for the last two decades. Real GDP per capita, which was US\$225 in 1978, exceeded US\$1,000 in 2003, reaching US\$1090. China entered the WTO in December 2001, and the presence of China in the



Afforestation to prevent natural disasters from soil runoff (The Model Afforestation Project in Sichuan, China)

world economy has grown substantially since then. The total volume of China's trade has doubled since its entry into WTO (approximately US\$1.1 trillion), which makes it the third in the world, following the US and Germany in 2004.

On the other hand, China faces various problems, such as environmental pollution, lack of resources and energy, and increasing economic disparities among regions and social groups. The evaluation report of MDGs achievement status issued by the Permanent Representative of the People's Republic of China to the UN in 2003 revealed that there is the risk of not achieving the goals in terms of its fight against infectious diseases such as HIV/AIDS and tuberculosis, environmental protection, and gender equality in opportunities for education. These problems can undermine social stability in the long run and adversely affect neighboring countries, and therefore countermeasures are required.

Mongolia—Groundwork for Transition to a Market Economy Completed

Though the average rate of GDP growth of Mongolia was 2.7% per year between 1995 and 2002, it increased to 5.5% in 2003 and jumped to 10.6% in 2004. Based on this situa-

tion, international organizations and donor countries recognize that the reform groundwork toward transition to a market economy has been completed.

However, while the macro economy is in good shape, finance and trade areas show deficit trends. Also, nearly 40% of the population live in absolute poverty (i.e., living on less than US\$1 a day) and the gap between rich and poor has grown prominent. The expansion of regional disparities between the capital and rural areas need to be solved. In addition, urgent solutions are required for numerous issues such as enforcing and expanding services in the economic infrastructure sector (transportation, traffic, etc.) and social infrastructure sector (education, health, etc.) in terms of both quality and quantity, building institutions for a market economy, and developing human resources to support the institutions.



A well constructed as part of a JICA study: JICA formulated an improvement plan to alleviate overgrazing, which is one of the causes of dzud damage (snow damage) in Mongolia. Photo by Kenshiro Imanuma

Addressing Priority Issues in JICA Programs

China—Utilize Japan's Knowledge and Experience in Cooperation with the International Community

First, environmental issues and the spread of infectious diseases are still very serious in China, and they may spread beyond the national boundary to affect Japan. Addressing these issues requires cooperation from the international community. As for environmental issues, in addition to measures against acid rain and yellow sand storms, JICA implements measures to prevent global warming and provides policy and technical support to promote a circular economy. JICA also supports the conservation and recovery of ecosystems, the development of human resources who will contribute to sustainable usage of water resources, planning, and technology development. In order to address infectious diseases, using its experience in the eradication of polio in China, JICA cooperates in combating tuberculosis, HIV/AIDS, and the SARS epidemic in cooperation with the World Health Organization (WHO).



Development of rehabilitation professionals who are in great demand (Human Resource Development of Rehabilitation Professionals in China)

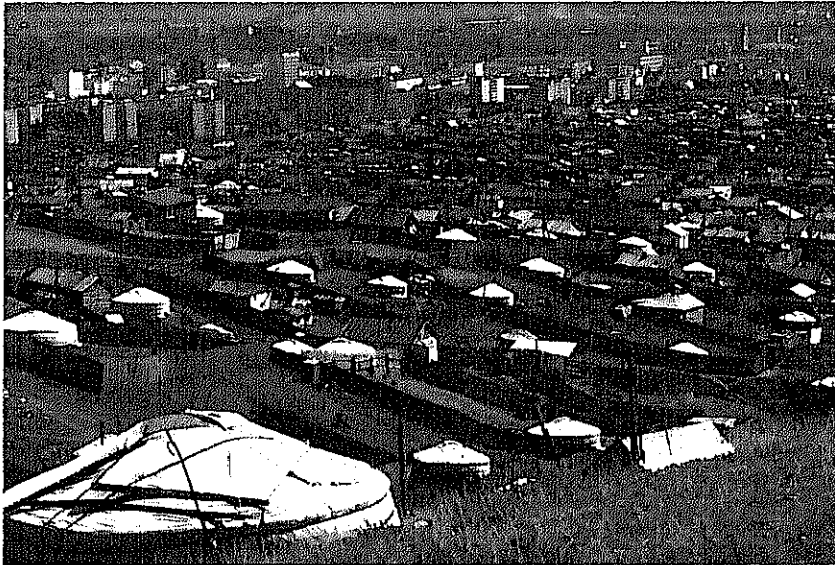
Secondly, from the perspective of supporting activities carried out by Japan's private sector, it is important to establish a market economy system in compliance with international rules. JICA therefore cooperates in China's efforts to achieve it. Specifically, JICA supports the development of economic laws and corporate-related laws and introduces Japan's experience and current situations and develops human resources in order to establish and disseminate tax systems, intellectual property rights, and technical and compliance standards in accordance with international rules.

Thirdly, mutual understanding between the peoples of Japan and China is vital as a basis of a sound, long-term relationship. Through the dispatch of volunteers, promotion of exchange between local governments, the Youth Invitation Program, and training of young and middle-level executives in Japan, JICA seeks to expand opportunities for the peoples of both countries to interact directly and enhance mutual understanding of culture and society from various aspects.

Finally, the increase in economic disparities between the coastal and inland regions and between urban and rural areas, and the existence of the socially and economically vulnerable are issues that can threaten China's stable socioeconomic development, and Japan cannot afford to overlook them. Thus, in the areas where Japan's experience and technology can be helpful, JICA supports the formulation of regional development plans and systems that contribute to the correction of regional disparities, development of human resources who carry out the plans and systems, and establishment of social safety nets.

Mongolia—Toward Economic Growth and Correction of Disparities

Mongolia has completed the process of building a foundation for reform toward a market economy society, and now stable economic growth is essential for the future. In the



Gher stretching out in the suburb of Ulaanbaatar, Mongolia: The housing for the people who abandoned cattle raising due to dzud and migrated to the metropolitan area in search of jobs. Photo by Kenshiro Imamura

meantime, JICA will continue assistance in educational areas, particularly with an emphasis on basic education, primarily to develop human resources who are involved in administration, including strengthening taxation functions, and who will play a leading role in the future of Mongolia. With an aim to activate the private sector, which accounts for 80% of GDP, JICA also places importance on the development

of a law enforcement environment to facilitate economic activities, and on the development of human resources related to the private sector with the help of the Mongol-Japan Human Resource Development Center.

Secondly, in the local development area, JICA will promote cooperation for correcting disparities between rural areas and the capital by nurturing local industries and developing social infrastructure and institutions while strengthening and supporting the livestock and agriculture sector, which is a key industry.

Thirdly, cooperation associated with environmental conservation is promoted, including measures to manage solid wastes in urban areas, yellow sand storms that adversely affects neighboring

countries by crossing the national boundary, and water and air pollution.

Finally, the development of infrastructure forms the basis of Mongolia's economic growth. In addition to the infrastructure directly associated with people's lives, JICA exerts an effort in building transport infrastructure that is closely related to tourism and underground resources development.

Front Line Mongolia • Fourth Thermal Power Station in Ulaanbaatar Great Contribution to the Industrial Promotion and Improvement of Citizens' Lives

Japan's cooperation started in 1991

The fourth thermal power station is the largest domestic station, supplying 70% of the nation's electricity. The Soviet Union used to provide cooperation in the past, however, after democratization, Soviet technicians were withdrawn and the supply of materials was discontinued, thus impeding the operation of the power station and generating frequent blackouts in cities, which seriously affected citizens' lives.

In the wake of this situation, equipment provision from Japan in the form of grant aid started in 1991. Yen loans were provided to modernize four boilers in October 1995, and experts in the area of power station operation started technical guidance in 1996. Senior Volunteers have been dispatched in groups since 2002 to instruct on the details of operation of the power station. Dispatched volunteers were puzzled by the work pace on the Mongolian side at first; nonetheless, they expended great efforts to communicate with them patiently.

Dramatic increase in the level of management and technology

As a result of such assistance, the number of blackouts has been significantly reduced, contributing greatly to the promotion of industries and the improvement of civic life. In addition, the level of management and technology at the power station has been dramatically upgraded, shifting the balance into the black, and now they are repaying yen loans by themselves. The director of the power station has a habit of saying, "We must not forget our appreciation to Japan, the country that extended a helping hand before anybody else when we needed it most. We should stop depending on Japan and try harder to stand on our own feet." They even requested non-grant aid cooperation to

repair boilers, which was originally to be covered by grant aid. In the wake of the Niigata Chuetsu Earthquake of 2004, all the employees, numbering nearly 1,200, worked on holidays and contributed their overtime pay (approximately 1.3 million yen) to relief aid. This indicates that Japan's past technical cooperation is greatly and genuinely appreciated by the people of Mongolia.

(JICA Mongolia Office)



Senior Volunteers supporting the power station. Photo by Kenshiro Imamura