



## Part II

# JICA's Regional Activities

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# Southeast Asia

## Pillars of Aid Aid for the Development of Southeast Asia as a Whole

Countries in Southeast Asia and Japan have had a close relationship in terms of economics, politics, and culture for years, and even today, Southeast Asia is still a priority region for Japan. In addition to trade and investment from Japan, human resources development, infrastructure\* building, and policy and institutional support\* through development aid have helped the region achieve remarkable economic growth.

Southeast Asian countries have overcome the Asian economic crisis through their contin-

uous efforts and high potentiality, and now they are mostly back on track in terms of development. However, since Southeast Asia is a unique region where each country has distinctive historical and racial diversity, the region still faces particular problems and struggles to solve them.

Nowadays, Southeast Asia seeks to boost the development level of the entire region, envisioning a free trade zone through the ASEAN Free Trade Area (AFTA). Emphasizing the framework of the Southeast Asian countries

including China and Korea, Japan proposed the Initiative for Development in East Asia (IDEA) to promote cooperation that organically combines trade and investments and aid.

While paying close attention to such situations, JICA will make efforts in support for economic policies, relief of the socially vulnerable, and environmental issues through intra-regional cooperation. Such continuous cooperation will facilitate political stability and the economic development of individual countries and thus to the whole Southeast Asian region.

## Current State of Development

### ■ Remaining Economic Disparities

Japan has close political and economic relations with Southeast Asia and, therefore, cooperation for the stability and development of the region is a critical issue for Japan. A policy of giving priority to this region will not change in the future. All eight countries in the region, except for East Timor, Singapore, and Brunei Darussalam, are listed among the top 10 recipient countries and regions in JICA-based technical cooperation values in fiscal 2002. The cooperation for East Timor is now expanding, and Singapore and Brunei Darussalam are not aid recipient countries. Japan's ODA thus far, combined with investing and trading activities, has contributed greatly to the development of the region in the fields of human resources development, infrastructure building, and policy and institutional support.

Although Southeast Asia has achieved high economic growth as a whole, there still remain economic disparities among the six founding members of ASEAN and four other ASEAN countries which joined in the 1990's, and East Timor. Detailed response is required with due consideration given to the economic disparities as well as different conditions of each individual country. In doing so, it is necessary to keep in

mind the following facts: the impact of the economic crisis that began in 1997 has not been overcome completely; administrative institutions are not sufficiently functioning especially in rural areas; substantial consideration should continuously be paid to the harmony of the environment and development; there are almost 60 million people living on less than one dollar a day. With those points in mind, the priority issues are summed up in the following four points.

- 1) Sustainable economic growth based on structural reforms of the economy
- 2) Strengthening governance capacity
- 3) Sustainable use of global resources
- 4) Relief for the socially vulnerable and poverty alleviation

As economic globalization advances, Japan's relationships with China, Korea, and Southeast Asia has become particularly stronger, and the harmonious development of the whole region has become vital to the prosperity of Japan. The Ministerial Meeting of the Initiative for Development in East Asia proposed by Prime Minister Junichiro Koizumi was held in August 2002. Japan confirmed the importance of efforts to solve development issues from a regional perspective, and

the significance to seek an ideal way of development cooperation in a concerted manner. Japan then announced it would continue assistance for sustainable economic development, emphasizing the promotion of trade and investment, the fostering of small and medium-scale enterprises, and the implementation of the WTO Agreement.

JICA will make efforts to solve various issues in different countries in a comprehensive manner through a package of technical cooperation projects on prioritized development issues in each country, the so-called Program Approach, while encouraging



International exchange using JICA-net (long-distance education system) in the Philippines

the participation of the private sector, NGOs, universities, and local governments.

Furthermore, JICA will support the initiative for ASEAN Integration (IAI) through intra-regional cooperation using partnership programs employing the experience and rich

human resources of the six founding ASEAN countries, which accumulated experience through the activities of JICA. Above all, JICA will work on correcting regional disparities through cooperation in the development of the Mekong river basin.

## Front Line

### ● Philippines Cooperation for Rice Cultivation in the Muslim Mindanao Autonomous Region

#### Extend a Helping Hand in the Conflict Area

Technical Cooperation Project

#### Economic recession affected by independence movement

Autonomy has been granted to the majority of Muslims on the Island of Mindanao located in the southernmost region of the Philippines, a country in which the majority of the population is made up of Catholics.

The long-lasting independence movement has stagnated economic activities, and fighting between the rebels and the Philippine national army continues. The living standard of the residents in the Autonomous Region in Muslim Mindanao (ARMM) is very low. The region consists of five states and one city in the southern and western part of the island of Mindanao, namely, Sulu, Tawi-tawi, Maguindanao, Lanao del Sur, Basilan, and Marawi City. The average income of the residents in the region is one third that of the average citizen of the Philippines, and the access rate to basic life functions such as water, electricity, and hygienic toilet facilities is less than half the average.

#### Difficulty in the dispatch of Japanese experts

In order to secure stable incomes, development in the agricultural sector is indispensable, and for this purpose, dissemination of modern technologies for rice production is crucial in the region.

However, public safety in the Muslim Mindanao region is poor, and it is difficult to dispatch Japanese experts there to provide direct guidance. Meanwhile, expertise has been acquired over long years at a rice research organization called PHILRICE in Luzon Island through JICA's technical cooperation for the development of modern technologies for rice crop.

Accordingly, using PHILRICE as an implementing body, JICA invited 30 agricultural engineers from the Autonomous Region in Muslim Mindanao to receive training on advanced rice production technologies. Moreover, in order to disseminate the technology widely to the farmers of the region, training was provided to 192 farm leaders by those 30 engineers as instructors throughout the region. Similar training will be implemented in the future, and agricultural exhibition centers will be established by these farm leaders to promote community-based and easy-to-understand agricultural technologies.

Cooperative activities are somewhat restricted in conflict areas. However,



Rice crop training for agricultural technicians

assistance in response to the local needs becomes possible through partnerships with regional organizations based on the trust that has been nurtured through the hard working efforts of JICA. A strong feeling of ownership\* is generated in both providers and recipients of training. The approach of the support for the Autonomous Region in Muslim Mindanao, which makes effective use of domestic human resources, has gained a reputation for being the one to represent the future direction of cooperation by JICA.

(JICA Philippines Office)

## Addressing Priority Issues in JICA Programs

### ■ Economic Policy Support

The Asian economic crisis that began in July 1997 imposed reviews of budget austerities and development policies on ASEAN countries, although the circumstances varied from country to country. The crisis also made a large social impact, due to the rapid increase in unemployment. The economic crisis led the resignation of President Soeharto in Indonesia, and invited economic and political confusions as well as economy recessions in Thailand and Malaysia. The impact was not negligible on the economic reforms that started in the late 80's in Viet Nam, Laos, Myanmar and Cambodia, which joined ASEAN in the 90's.

Thus, the important tasks of the ASEAN countries are to overcome the economic crisis and foster international competence to achieve development by expanding the regional economy through the establishment of the ASEAN Free Trade Area (AFTA). In view of such situations, JICA will provide cooperation giving the highest priority to economic policy support.

In Laos, for example, until 2002, focusing on the stability of a macroeconomy, policy proposals were made in the areas of reform of finance, promotion of direct investment from overseas, industry policy, agricultural and rural development, and poverty reduction. In addition, assistance was provided to strengthen Laos's analytical ability and policy formulation capability. Based on the outcomes of such activities, policy proposals for economic development of Laos through cooperative research projects and support for human resources development started in 2003 in the areas of promotion of small and medium-scale enterprises, the financial system, WTO entry, etc.

With the objective of assisting economic structural adjustment\* toward a transition to a market economy, since 2000 JICA has made proposals to Myanmar for the formulation of strategic economic reform programs in the areas of financial and monetary functions, industrial trade, information technology (IT), and agriculture and rural development. Specifically, JICA's proposals have been made on the unification of multiple foreign exchange rates, the necessity of a stable macroeconomy as a prerequisite to such unification, policies on the promotion of small and medium-scale enterprises, and measures for increasing productivity to improve mainly the welfare of farmers.

The Indonesian economy has been heading towards recovery, but important issues such as the heavy debt burden and restructuring of the financial sector remained, in addition to an appropriate response to economic globalization. Based on consensus between Prime Minister Koizumi and President Megawati, the Japanese government implements policy advice through top-level discussions between six Japanese scholars and senior officials of the Indonesian government in the fields of macroeconomic management, financial sector reform, small and medium-scale enterprise promotion, and private investment expansion. Ensuring financial sustainability and strengthening international competitiveness serve as pillars of economic policy in this assistance. To address the former pillar, a methodology for the redemption of national bonds starting in 2003 and smooth completion of IMF programs and increasing income through a tax reform system were proposed. As for strengthening international competitiveness, a proposition was made on strategies to improve the investment environment for economic development and its implementation and monitoring systems of such strategies.

### ■ Governance Support

Governance issues have been stressed since the 1990s in ASEAN countries. It is recognized that "Good Governance\*" is a prerequisite to sustainable development\*, and an important political, social and cultural factor that affects the effectiveness and efficiency of aid.

Directions of governance support for Southeast Asia can be characterized by three elements: democratization support such as election assistance and police reform; administrative support such as decentralization; and legal system support such as judicial reform.

With regard to democratization support, for the purpose of realizing democratic elections in Cambodia, East Timor, and Indonesia, JICA has provided assistance in establishing and improving election systems, conducting elections and reinforcing their management, and promoting understanding and participation in elections. In order to establish democratic and modern police institutions, support has been provided for reforms of the national police department, which gained independence from the Ministry of Defense in Indonesia, and technical cooperation has been provided to improve modern investigation capability in the Philippines. Furthermore, JICA

extends cooperation in the reinforcement of drug-related crime control, which has become increasingly a serious social problem in Thailand, Myanmar, the Philippines, and Cambodia. The Koban system, which Japan is proud of, is promoted throughout ASEAN countries through Singapore, the first country to adopt the system.

In Indonesia, for example, the Citizen Police Activity Promotion Project started in 2002, using a real police station as a new police model for civilians. This is carried out in collaboration between the field police officers from Japan and Indonesia to improve identification activities and anti-drug measures, and also to introduce a citizen service system using e-mail on cellular phones.

In the area of administrative support, technical cooperation is provided to develop national administrative systems and

institutions by improving the capacity of national government employees. Cooperation for the autonomy of Muslim Mindanao is provided to assist structural and capacity-building\* of the administrative system and to support health administration in the Philippines. Indonesia, the Philippines, and Thailand are active in the promotion of decentralization. To assist their efforts, various forms of cooperation have been implemented for establishing a decentralized system, policy formulation, and improvement in the ability of local government officers.

Support for modernization of civil laws and commercial laws including drafting and establishing laws have been provided to Viet Nam, Cambodia, and Laos, countries in transition to a market economy and in the process of opening up to the outside world. In order to improve judicial functions, coop-

## Front Line

### ● Thailand Project for Capacity-building to Develop Information Technologies for Education

#### IT Changes Class and Children

Technical Cooperation Project

#### PC training for teachers

The National Information Technology Committee was established in 1992 in Thailand to promote information technology (IT) policies, including human resource development. In order to increase the number of personnel who can manage IT in the future, the Committee has promoted the dissemination of new educational methods using IT in the educational field.

In response, this project provides training for mainly elementary and junior high school teachers at five local adult education centers in order to help them use IT in teaching Thai language, mathematics, science, and social studies in collaboration with the Educational Management Information System Center (EMISC).

Teachers who have never touched PCs learn how to design class newsletters with photos and graphs using PCs. For teachers who already have some knowledge about PCs and schools that

are enthusiastic about IT, there is training about creating class materials and class teaching methods using Internet or image processing software.

#### Expanding classrooms

JICA dispatches experts to give instructions for training materials and curricula for preparation of the project.

Experts repeatedly discuss with staff of the Ministry of Education on the ideal way of training at every level. In the meantime, Japanese Overseas Cooperation Volunteers (JOCV) have been dispatched to these adult education centers to provide training for school teachers and local residents together with the staff of the centers.

Mobile IT vehicles are sent to schools and community centers in remote areas to offer mobile classes for



Class using PCs in Thailand

those who live far away and thus cannot visit the centers. This has become quite popular.

Three thousand school teachers received this training over three years. Classes using PCs will enable children to see a new world, which cannot be seen in the conventional teaching. This effort is expected to nurture the curiosity of children who take on important roles in the future.

(JICA Thailand Office)

eration has been carried out to establish judicial organizations and institutions. Currently, JICA assists Indonesia with securing judicial independence and transparency in the course of judicial reform. Training for legal professionals and formulation of training materials and curricula have assisted in nurturing many competent personnel in the legal field.

### ■ Promotion of Intra-regional Cooperation

In addition to bilateral cooperation, JICA is taking a comprehensive approach to various common issues from the perspective of overall regional development through cooperation in order to contribute to the stability and development of the politics, economy, development, regional economic integration, and environmental conservation, as well as of the relief of the socially vulnerable and poverty alleviation in Southeast Asia. Japan actively collaborates with founding members of ASEAN to extend cooperation for new members including Viet Nam, Laos, Myanmar, and Cambodia, which joined ASEAN in the 1990s.

In intra-regional cooperation, after studying Japan's experience and expertise, people from the founding members of ASEAN comprehend and develop them in their own way so that they can pass it on to other countries of the region who share the similar social, cultural, and natural environment. It is expected to not only result in positive outcomes but also help promote the sharing of common experiences and eventually strengthen regional ties.

There are various ways to that goal. For example, Japan has made an equal cost-sharing partnership with Singapore, Thailand, and the Philippines to provide support for neighboring countries and countries outside of the region through training programs and the dispatch of experts. Fiscal 2002 resulted in 41 third-country training\* courses that are carried out in each country jointly with JICA, including training on practical skill-development jointly implemented with a local NGO in the Philippines, and training on productivity improvement for African countries.

Another form of intra-regional cooperation is region-wide projects. In this form, with a base set up in Thailand, cooperation is carried out simultaneously, not only in Thailand but



Interim evaluation of The Bach Mai Hospital Project in Viet Nam

also in neighboring countries. Intra-regional cooperation is under way in Thailand for the development of human resources in higher education, mainly in the area of engineering, drug control, support for persons with disabilities, parasite control, and prevention of diseases in livestock.

The ASEAN countries have gradually taken the initiative in formulating projects for intra-regional cooperation. The first Conference for the Promotion of Regional Cooperation was held in Malaysia in July 2002, and was co-sponsored by JICA and the ASEAN countries with East Timor as an observer. In the conference, it was confirmed that the ASEAN countries and JICA would extend cooperation under local initiatives in 12 prioritized areas, including trade promotion, fight against HIV/AIDS, reforestation, and tourism development for Viet Nam and the other three ASEAN members who joined in the 1990s. Furthermore, in order to examine mechanisms for promoting intra-regional cooperation and provide specific cooperation, building a network and developing a database has started.

Intra-regional cooperation also includes the Initiative for ASEAN Integration proposed by Singapore and led by the ASEAN Secretariat; and the Mekong River Basin Economic Cooperation Program by the Asian Development Bank. JICA actively participates in these programs.

What must be mentioned here is support for Afghanistan in the form of a partnership between Japan and the ASEAN countries. In March 2003, Indonesia and JICA invited 15

Afghans to Jakarta and other local cities with the aim of agricultural development, and carried out training on local agricultural development and women's roles in Indonesia. This training program was provided in Indonesia based on the fact that many Indonesians are Muslims. One of the favorable outcomes was the advancement of mutual understanding among the people of two countries. Following this training, Malaysia,

another country with a majority Muslim population, plans to carry out other training programs on road construction technologies, which Japan supported previously, in Kuala Lumpur jointly with JICA. Thus, intra-regional cooperation continues to be more active in the ASEAN countries through the utilization of various effective experiences and know-how that were accumulated over the years.

## Front Line

### ● Myanmar Leprosy Control and Basic Health Service Improvement Project in Myanmar

#### Improve Regional Medical Care through Human Resources Development

Technical Cooperation Project

#### Health and medical care provided by midwives

Health and medical services in Myanmar consist of local primary medical care and primary health care, both of which are provided by 12,000 midwives (local public health nurses) stationed in the area. Township hospitals are secondary medical care institutions, and county hospitals, district and state hospitals, and disease-specific hospitals are higher medical institutions.

An integration policy for local health and medical services was introduced in 1978, and all the regions were integrated by 1991. A local public health nurse is stationed at each public health center (Sub-rural Health Center), and is responsible for primary medical care and primary health care of 5,000 to 10,000 residents.

Within such a framework, leprosy control has been given a high priority among public health programs in Myanmar because the country has a high rate of infection for the disease. Thus, the system for disease-specific measures has been strengthened and it functions quite effectively.

However, midwives diagnose and treat patients. Support for the periodical provision of state-of-the-art technologies

in response to the changing situation is required so that midwives can carry out effective measures to fight leprosy while being much occupied with other services.

#### Strengthening leprosy control

The Leprosy Control and Basic Health Service Improvement Project in Myanmar started in April 2000 as technical cooperation in the public health sector of Myanmar. Leprosy control, prevention of disabilities, and introduction and implementation of rehabilitation programs have been chosen as the threshold for the activities to improve the quality of regional basic health services.

In order to implement measures in response to local needs effectively, this project promotes partnerships among disease-specific treatment divisions at the central level. This further supports the promotion of disease control and improvement of health and medical services through improving the skills of midwives, who are responsible for public health and medical services at the local



Technical support for leprosy control

level, and the technology of hospitals at each level.

At the same time, educational campaigns for early diagnosis and treatment of the disease, prevention of infection, and disabilities are carried out in collaboration between the government and NGOs with the active involvement of residents.

While reinforcing the activities at 48 townships in mid-Myanmar, the experiences gained there will be presented within and out of the country as a model region, and similar activities are anticipated to start in other regions.

(JICA Myanmar Office)