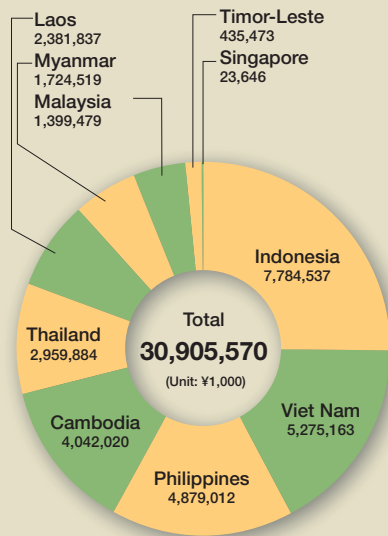


Southeast Asia



Pillars of Aid Promote Comprehensive Cooperation toward ASEAN Integration

Cooperation results by country in Southeast Asia (FY2006)



* This is the total amount of bilateral cooperation. The amount of cooperation provided to Asia including cooperation that covers a group of countries is 51,115,695 thousands of yen.

The Southeast Asian region consists of 11 countries: 10 member states of the Association of Southeast Asian Nations (ASEAN) and Timor-Leste, which achieved independence in 2002. ASEAN, which was formed in 1967 with the aims of achieving economic growth and regional peace, is made up of six original members—Indonesia, the Philippines, Malaysia, Singapore, and Thailand, which are the founding signatories, and Brunei Darussalam, which joined in 1986—and four new members—Viet Nam, Cambodia, Laos, and Myanmar, which joined later.

ASEAN promotes regional market integration based on the ASEAN Free Trade Area (AFTA) signed in 1992. At the 12th ASEAN Summit in January 2007, in addition to the establishment of an ASEAN Community in 2015, five years earlier than the original plan, the drafting of an ASEAN charter was approved, showing accelerated movement toward regional integration.

While the original members of ASEAN

have reached a certain level of development, the new members are behind in development. Thus, the correction of regional disparities and the development of regional economies are important tasks.

Japan specifies a focus on Asia as one of the pillars of its postwar diplomacy. Southeast Asia has a close relationship with Japan in various aspects. In terms of economy, in particular, Southeast Asia is one of Japan's most important interdependent partners. In recent years, the importance of the region has been increasing in the politics and security area, including sea lanes such as the Malacca Strait. Japan has provided ¥12.7 trillion (accumulated value until fiscal 2005) in support since 1956, placing Southeast Asia as the most priority region in its ODA. JICA's technical cooperation provided for the region accounts for 28% of its total budget*1 and has contributed to the development of individual countries as well as the whole region.

*1 Source: Ministry of Foreign Affairs ODA website, Japan's ODA data by country 2006

Current State of Development

Southeast Asia exceeds other regional economic communities including the European Union (EU) and the North American Free Trade Agreement (NAFTA) in terms of population size (approximately 550 million). However, the size of its economy does not even reach 10% of the levels of either EU or NAFTA (GDP in fiscal 2005 was approximately US\$780 billion)*2. In order to eradicate poverty in Southeast Asia, it is important to sustain strong economic growth accompanied by an expansion of job opportunities while paying attention to the problem of disparity expansion.

In recent years, the intraregional trade ratio accounted for more than 50% of all trade in East Asia including Southeast Asia, and a regional production and distribution network has been formed. In order to promote this trend and enhance international competitiveness in the region, laws and structures in each country must be upgraded and a system must be built in which humans, goods, money, and information are smoothly distributed at low cost.

However, situations surrounding ASEAN vary drastically by country. There are income disparities between the original and the

new ASEAN members as well as between urban and rural areas. Areas with religious or political conflicts, and poverty problems are scattered throughout the region. Also, economic and administrative systems are uncertain and weak in many countries, which is a factor that prevents investment from the private sector.

In order to support the integration of the ASEAN region, JICA has set up three pillars of aid.

The first pillar enhances the international competitiveness of ASEAN to continuously support its growth. While continuously focusing on cooperation for the economic and social infrastructure that supports economic growth, cooperation based on Japan's experience in development will be enhanced in sectors such as policy-making, which is the bedrock of a country, and the establishment of laws. Cooperation for human resources development in these sectors enhances the foundation for economic and administrative systems and is thus promoted as part of cooperation leading to economic partnerships. Also, in order to establish an investment environment, government-private coordination is underway through the establishment of a system that directly hears requests from the private sector.

The second pillar is to actively tackle poverty issues that are preventing growth and resolution of conflicts occurring in many areas. With regard to the new ASEAN members, JICA focuses on social development in the health, education, and agriculture sectors that directly affect people's lives. For the purpose of correcting disparities between urban and rural areas, comprehensive efforts for eradicating poverty in rural areas are being promoted. In terms of peacebuilding, JICA considers assistance in

Mindanao, the Philippines, as the basis for resolving problems in other areas.

As the third pillar, JICA actively addresses cross-border issues and issues common to ASEAN.

*2 Population size: EU approximately 460 million; NAFTA approximately 430 million. Economy size: EU approximately US\$12.9 trillion; NAFTA approximately US\$13.4 trillion.

Addressing Priority Issues in JICA Programs

Cooperation for Strengthening International Competitiveness and Supporting Growth.....

Southeast Asia is critical for Japan's security and prosperity. The promotion of regional integration that leads to security and sustainable growth in Southeast Asia is also significant for Japan.

Despite Japan's assistance for infrastructure-building to support economic growth, needs for assistance for infrastructure-building in the region are still high, except in Thailand and Malaysia, which have become more developed countries.

JICA has backed up effective development of Southeast Asia by assisting in the formulation of various development plans. For example, in the Study on the Comprehensive Urban Development Programme in Hanoi City, Viet Nam, a master plan for comprehensive urban development including urban transportation, water supply, and living environment was completed. Along with economic growth in Viet Nam, the population of Hanoi City is anticipated to increase drastically in the future, and this plan is thus expected to be a guideline for orderly development. As another example, in the Study on Master Plan for Maritime and Port Sector in Cambodia, a master plan including a long-term strategy and a short-term action plan are being formulated jointly with the government of Cambodia in order to promote the development of international maritime transportation and the effective use of ports. Advice will also be given in terms of policies and institutions.

Realization of smooth circulation of humans, goods, and capital requires balance among systems and improved administrative capabilities in addition to free trade and investment. Technical cooperation projects are implemented to support the protection of intellectual properties in Indonesia, Malaysia, and Viet Nam, and to support the promotion of mutual recognition to eliminate trade barriers in Thailand and the Philippines.

In Viet Nam, Cambodia, and Laos, all of which are promoting transition to market economies, major tasks are to establish laws that become foundations for economic activities and to develop legal professionals. JICA implements technical cooperation projects in these countries, steadily achieving the amendment of laws.

In addition, in the Project for ASEAN University Network/Southeast Asia Engineering Education Development Network, universities in ASEAN countries excelling in various fields accept students from the region with the support of Japanese universities. This project is expected to contribute to the enhancement of a regional network among the most advanced researchers in the ASEAN region as well as improve the capabilities of students.

It is also important to hear opinions from the private sector in achieving sustainable growth in Southeast Asia. In Viet Nam, in order to further improve the investment environment, a Japan-Viet Nam Joint Initiative was announced in 2003 based on a mutual agreement between the Prime Ministers of both countries. Under this initiative, 44 improvement items were identified, taking into consideration concerns of Japanese companies in the country. Over a period of two years 85% of the items were improved, contributing greatly to the promotion of investment. JICA assisted in the identification process of the improvement items, and further implemented technical cooperation to address some of the improvement items in support of efforts of the Vietnamese government.

Cooperation for Poverty Reduction.....

Southeast Asia's economy has recovered to a certain level as a whole and has continued to grow since the Asian economic crisis in 1997. On the other hand, disparities within the region or each country have become pronounced. The new ASEAN members have many poverty issues related to the socially vulnerable and minority ethnic groups and those issues sometimes expand in the course of development and urbanization. Even among founding ASEAN members like Indonesia, internal disparities is a big issue.

Without resolving poverty issues and correcting disparities, the countries in Southeast Asia cannot achieve regional integration and push forward sustainable development in the entire region. JICA identifies cooperation for poverty reduction as a priority issue in the region, and addresses (1) rural development and community development (agriculture and rural development, regional health, good governance, and local infrastructure) and (2) support for the socially vulnerable (promotion of employment, establishment of social safety net, disaster reconstruction, and post-conflict peace consolidation).

When looking at regional disparities, for example, the gross national income (GNI) per capita of new ASEAN members and Timor-Leste ranges between US\$300 and 500 (2004), showing a drastic difference when compared to that of other ASEAN countries (mostly between US\$1,000 and 4,000 excluding Singapore). In Laos, Cambodia, and Myanmar, infant mortality is between 65 and 100 out of 1,000 births (20 to 30 on average in other ASEAN countries) and the adult literacy rate is low. Improvement of health and sanitation and enhancement of primary education are necessary. In these countries, JICA provides various types of assistance focusing on the fulfillment of basic human needs. Cooperation for maternal and child health, infectious disease control, quality and access improvement of primary education, and improvement of



This waste collection activity began as a pilot project for waste management. (The Study on Implementation of Integrated Spatial Plan in Mamminasata in Indonesia)

livelihood of the poverty group through agricultural and community development are examples.

Meanwhile, JICA assists Indonesia with comprehensive development of its eastern areas in order to correct domestic disparities among various areas. In particular, support for the development of South Sulawesi is prioritized on a mid- and long-term basis for the development of the eastern areas. The regional development program including the following three points was formulated and assistance started: (1) development of urban areas that leads regional development; (2) promotion of local industries; and (3) improvement of health and medical services and primary education. This development plan involves the integration of technical cooperation and loan/grant assistance; collaboration and synergy effects among projects are expected.

As described above, JICA continues to steadily tackle the correction of disparities among countries in the region as well as between urban and rural areas.

In the peacebuilding sector, assistance is given to support efforts to solve problems in the western areas of Mindanao, the Philippines. Armed conflict between the Muslim anti-government organization and the government of the Philippines continued in this area for many years starting in the 1970s. Due to this conflict,

a shortage of basic social services in the area was prominent and local residents were forced to live in extreme poverty. The long armed conflict finally ended in 2003 when the Moro Islamic Liberation Front (MILF) branched off from the Moro National Liberation Front (MNLF) in 1984 and the government reached a cease-fire agreement, following the peace agreement concluded in 1996 between MNLF and the government. Peace negotiations are currently underway. Based on the Support Package for Peace and Stability in Mindanao that Japan announced in 2002, projects have been implemented mainly in support of medical, agricultural and health sectors, as well as the capacity development of Autonomous Region in Muslim Mindanao (ARMM). Taking the visit of President Ogata to the Philippines in September 2006 as an opportunity, JICA started assistance to areas where MILF exercises great influence in order to contribute to the conclusion process of a peace agreement. JICA dispatched personnel to the International Monitoring Team (IMT) in October 2006, and commenced an emergency reconstruction project at the community level in conflict-affected areas as well as the formulation of mid- and long-term development plans in the areas in February 2007 (see p. 16).

Experiences gained through these efforts are expected to be utilized for the solution of Islamic conflicts that take place in the southern area of Thailand and the Maluku region of Indonesia.

Response to Cross-border Issues

The third pillar is response to cross-border issues. Specifically, JICA addresses various issues that extend through-

Front Line Philippines • Maternal and Child Health Project

Aiming for Safe Births

Enhance the obstetrical emergency system

Every minute, one woman dies from complications of pregnancy or during delivery somewhere in the world, and 90% of these women live in developing countries. Their lives would not be lost if adequate health services were available. According to statistics compiled by the United Nations Population Fund in 2006, the death rate for pregnant women per 100,000 births is 200 in the Philippines as compared to 10 in Japan.

Japan has implemented technical cooperation projects for immunization and family planning in the Philippines since the 1960s, continuously supporting human resources development in maternal and child health services and providing materials and equipment. Since March 2006, a Maternal and Child Health Project has been implemented jointly with the Ministry of Health of the Philippines.

In the Philippines, more than 60% of deliveries occur at home in the presence of traditional midwives. Therefore, emergency response tends to be late, which is a factor in the deaths of many

women. The project supports activities mainly to enhance the obstetrical emergency system so that every woman can have a safe delivery at a facility.

Supports community system building as well

The project targets three remote cities in the province of Ifugao on the northern island of Luzon (total population is approximately 52,000) and eight cities in the province of Biliran on the central island of Leyte (total population is approximately 155,000). The mountainous Ifugao has a high poverty rate and the rate of deliveries in the presence of traditional midwives is 10 times that of the national average. The province of Biliran has the highest death rate for pregnant women in the country. In order to give as many women as possible opportunities for safe deliveries and parenting, JICA conducts technical training in emergency obstetrics and provides materials and equipment targeting health facilities and their personnel in collaboration with the administrative bodies of each province.

In addition to an established child-

bearing facility and the presence of medical professionals who can respond effectively in emergency situations, what's important is the presence of a community that supports a woman before, during, and after a delivery. Accordingly, a Women's Health Team, which are led by village maternity nurses and include midwives and health volunteers, was formed to promote community system building. The aim is to build a system in which women can go to a facility quickly when they find something wrong no matter how small the problem, so that even women who live in villages far from the facility can have safe births.

(JICA Philippines Office)



Training is conducted for the Women's Health Team at a remote mountainous area in the province of Ifugao.



A water quality survey is conducted at the construction site of a water supply facility accompanying the counterpart. (The Study for Socio-Economic Reconstruction and Development of Conflict-affected Areas in Mindanao, the Philippines)

out ASEAN or areas across borders, such as (1) infectious disease control (newly emerged influenza and HIV/AIDS); (2) international crime control (drug control and human trafficking); (3) cross-border regional development (Mekong region development); (4) environmental conservation (acid rain control), and (5) disaster prevention (recovery and reconstruction of areas affected by earthquakes and tsunami and other natural disaster control).

In the area of infectious disease control, avian influenza is a serious disease that infects humans as well as livestock. The virus spreads beyond national borders, carried by migratory birds and others. JICA implements cooperation centered on human resources development while collaborating in stockpiling vaccines and other activities carried out by other international organizations such as the Food and Agriculture Organization of the United Nations (FAO) and World Health Organization (WHO) and ASEAN. JICA has supported the development of human resources for the diagnosis and containment of infectious diseases, including the avian influenza, and the system building for regional cooperation in Thailand, Cambodia, Laos, Myanmar, Viet

Nam. In addition, JICA held a Regional Workshop for Avian Influenza Control targeting 12 countries including the eight ASEAN countries in September 2006 in Japan, in order to support the formation of a regionwide network and the development of human resources (see p. 13-14).

Human trafficking is an international crime that spreads beyond national borders, and not only in the ASEAN region. Japan, for instance, is the biggest destination for victims. Solutions to this problem are not limited to crime investigation and control but also involve a wide range of activities including prevention and educational activities, protection, and support for social reintegration of the victims. To assist in human trafficking control, JICA started fact-finding surveys and the formation of networks among related organizations mainly in Cambodia, Laos, and Myanmar, where the risk of becoming victims is high. In the future, JICA will set out comprehensive cooperation policies before starting cooperation.

Japan also announced a policy to actively support the Initiative for Mekong Region Development targeting the five countries in the basin of the Mekong River (Thailand, Laos, Myanmar, Viet Nam, and Cambodia) and Yunnan Province in China. In the future, in order to utilize the established infrastructure to achieve regional development JICA plans to actively assist system-building and human resources development to promote trade and investment as well as smooth distribution while consulting the countries concerned (see p.18).

Front Line Malaysia

The Project for Capacity Building on Social Welfare Programmes for the Disabled

Aiming for Social Participation and Independence of Persons with Disabilities

The dispatch of persons with disabilities begins

In Malaysia, a technical cooperation project for persons with disabilities started in June 2005. This project comprehensively supports the independence of persons with disabilities, which allows persons with disabilities to accept themselves for what they are, establish their rights in the society, and participate in the society. In this project, a severely disabled person was dispatched from Japan as a short-term expert to introduce self-support programs to Malaysians with disabilities, NGOs, and related personnel from the governmental organizations involved and consult with them on their problems. The first self-support center in Malaysia has already been established by Malaysians themselves, and preparation for extending it to rural areas is underway.

In the volunteer program as well, the dispatch of persons with disabilities was started in addition to conventional assistance centered on CBR* projects. Between November and December

2006, a sports meet for persons with disabilities, the 9th Far East and South Pacific Games (FESPIC), was held in Kuala Lumpur with the participation of 47 Asian and Pacific countries and regions. At the games, 19 events, such as wheelchair basketball, swimming, sailing, and wheelchair tennis, were played. JICA dispatched former professional wheelchair basketball players and coaches for blind swimming, tennis, and track and field as volunteers to support the progress and performance of the Malaysian players. For Malaysian players, coaching from professional athletes with disabilities was very inspiring and a valuable experience in raising awareness for self-support and social participation.

Support the nurturing of sign language trainers as well

In addition, in order to develop human resources for sign language interpreters, which are scarce in Malaysia, a deaf trainer of sign language interpreters was dispatched to the Malaysian Deaf Association as a



Malaysian national team members receiving guidance from a former Paralympics swimmer

Japan Overseas Cooperation Volunteer. His/her one-month activity was followed-up via teleconference by sign language. The support will continue to establish a system for developing sign language trainers.

Persons with disabilities are far more persuasive than experts and volunteers with no disabilities. It was recognized again that they can play an important role in awareness-raising and development education.

(JICA Malaysia Office)

*CBR: community-based rehabilitation