



20th Anniversary for Resuming
Japan's ODA to Vietnam



Japan-Vietnam Partnership To Date and From Now On

Connecting People and Nations
Towards Regional Peace and Stability



Japan International Cooperation Agency



The Course of Japan-Vietnam Partnership

-Towards Peaceful, Stable Development of Asia

Introduction

Year 2013 celebrates the 40th year of Japan-Vietnam diplomatic relations. To celebrate “the Japan-Vietnam Friendship Year”, the ministry of foreign affairs, Japan has planned to organize various cultural exchange events through the year 2013 with setting the logo mark especially for this occasion. The logo mark symbolizes Vietnam’s floral emblem “red lotus” and Japan’s “cherry blossoms” and their national flags as shown in the upper right of this page. At the same time, this year marks the 20th anniversary since Japan’s ODA was resumed.

The Socialist Republic of Viet Nam (Vietnam) after its national independence in September 1945, was in a constant state of war for 40 years. After Vietnam launched “Doi Moi (“innovation” in Vietnamese)” in 1986, the economy subsequently achieved strong growth and in 2009, Vietnam joined the group of the middle income countries*. Vietnam is now expected to play a key role as a leader of the three Indochina countries and as a member of ASEAN.

This brochure outlines the 20-year history of Japan-Vietnam partnership.

*Note: The World Bank classifies countries with 2012 GNI per capita between US\$1,036 – 4,085 as lower middle income countries.

Some of the Cover photos: Courtesy of Yuki KATO and Koji SATO
Top-right photo on the back cover: Courtesy of Japan Airport Consultants Inc.

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Figures Showing Socio-Economic Growth in Vietnam

Gross Domestic Products (GDP) per capita exceeds “US\$1,000”

In 1990, GDP per capita in Vietnam was US\$98. After its rapid economic growth, Vietnam has joined the group of Middle Income Countries. In 2011, Vietnam’s GDP per capita was US\$1,407, which was 14 times larger than that of 1990.

Poverty rate reduced from 58.2% to 14.2%

In 1990, more than half of Vietnam’s population suffered from poverty. The poverty rate dramatically reduced from 58.2% to 14.2%, which shows the improvement in the living conditions of the Vietnamese people.

Electrification rate reached 97.6%

In 1994, only 14% of all households had access to the electricity supply service in Vietnam. The percentage rapidly grew to 61% in 1998, and 97.6% in 2009.

(Data Source: World Bank)

95% of the population can access safe water supply

In 1990, only 57% of the population could use the safe water supply service in Vietnam. As the basic infrastructure of the public services was improved, more and more people enjoy safe water. In 2010, 95% of the Vietnamese people had access to safe drinking water.

Figures Showing Outputs of Japan-Vietnam Partnership in Vietnam

Japan’s ODA to Vietnam amounted to more than 2 trillion yen

From 1992 to 2011, Japan provided the accumulated amount of more than 2 trillion yen (about US\$19.7 billion) for Vietnam, combining financial cooperation approved and technical cooperation disbursed. The total disbursed amount of Japan’s ODA was at the top of the international development agencies and accounted for 30% of total accumulated ODA to Vietnam.

Total extension of 3,309 km roads and 287 bridges constructed

Japan has supported Vietnam to develop a total of 3,309 km roads and 287 bridges including the ongoing projects. In particular, a total of 650 km national roads have been provided with the cooperation of Japan, which correspond to about 70% of the total length of Vietnam’s four-lane national highways.

3 Top referral hospitals and vaccine production facilities developed

The facilities and human resources in Bach Mai Hospital in Hanoi, Cho Ray Hospital in Ho Chi Minh and Central Hospital in Hue were improved through Japan’s ODA. The facilities and human resources to produce measles vaccine were developed to make the Vietnamese people reach quality public medical services.

4,500MW electric power supply facilities improved

Through Japan’s ODA, 4,500MW power plants have been constructed in Vietnam, including those under construction, which account for 14% of the national capacity of power supply. Additionally, human resources related to the energy and power sector have been developed.

(Data Source: accumulated ODA disbursement amount = OECD-DAC and other figures = JICA)



A message from the former Minister of Planning and Investment

Mr. Vo Hong Phuc

I am pleased and proud to celebrate the 40th anniversary of the establishment of Japan-Vietnam diplomatic relations and the 20th anniversary of Japan’s resumption of ODA to Vietnam. From 2002, as Minister of MPI, I focused on the reconstruction and the socio-economic development of the country in collaboration with development partners. Japan has always been one of the top donors for Vietnam and has respected our development policy, and we



share the common understanding that “economic growth is indispensable to poverty reduction.” We have learned a lot from Japan’s technology, which develops high-quality infrastructure. These outputs have provided the Vietnamese people with various benefits and led to economic growth. We do hope that the Japan-Vietnam partnership will be further strengthened and will contribute to the stable, socio-economic growth of Asian countries.



History



History of Japan-Vietnam Partnership

		1970s	1980s	1990s
Vietnam	Development Trend	Modernization and promotion of growth	Launching of Doi Moi, transition to a market economy, opening markets to foreign business	Reconstruction, and doubling of income
	Events	1973 : Signing of Agreement on Ending the War and Restoring Peace in Vietnam 1975 : End of the Vietnam War 1976 : North and South Vietnam were united, and the Socialist Republic of Vietnam was founded 1979 : The Third Indochina War broke out 1979 : The western countries suspended ODA	1986 : Vietnam launched Doi Moi	1991 : Signing of Paris Peace Agreement 1992 : Formulated the new constitution 1993 : Multilateral agencies and the western countries resumed ODA 1995 : Vietnam and the U.S. normalized diplomatic relations 1995 : Vietnam joined ASEAN 1996 : Vietnam joined APEC
Japan	Japan-Vietnam Relations	1973 : Japan and Vietnam established diplomatic relations 1975 : The embassy of Japan was set up in Hanoi 1977 : Fukuda doctrine was announced 1979 : Japan suspended ODA to Vietnam	1980s : Japan provided humanitarian assistance and emergency support when typhoon or flood disasters happened in Vietnam. Late 1980s : Promoted foreign policies for peacekeeping in Indochina	1992 : Japan resumed ODA to Vietnam 1994 : Prime Minister Murayama paid the first visit to Vietnam as Japan's prime minister 1995 : The government of Japan held a Forum for the Comprehensive Development of Indochina
	ODA to Vietnam	"Postwar Reparation and Technical Cooperation" 1959 : Da Nhim Hydroelectric Plant Project 1964 : Phan Rang Irrigation Project 1966—1974 : Technical Cooperation to Cho Ray Hospital 1969—1975 : Technical Cooperation to the Faculty of Agriculture of Can Tho University 1973, 1974, 1978 : Commodity Loan  Establishment of Japan Vietnam diplomatic relations (Courtesy of Embassy of Japan in Vietnam, Mr. Yukio Imagawa former ambassador of Cambodia. At the time of this photo, Mr. Imagawa was the ambassador of France, soon to become the ambassador of Vietnam.)	"Suspension of ODA"  Cho Ray Hospital(1970s)	"Assistance for reconstruction and transition to a market economy" 1993—2005: Phu My Thermal Power Plant Project 1993—2004: Pha Lai Thermal Power Plant Project 1995—2005: Ham Thuan – Da Mi Hydropower Project 1993—2012: National Highway No.1 Bridge Rehabilitation Project 1993—2004: National Highway No.5 Improvement Project 1993—2005: Hanoi – Ho Chi Minh City Railway Bridge Rehabilitation Project 1993—2009: Hai Phong Port Rehabilitation Project 1995—present: Dispatch of Japan Overseas Cooperation Volunteers (JOCV) 1995—2000: Study on Economic Development Policy in the Transition Toward a Market-oriented Economy in Vietnam 1996—2006: Japanese Cooperation to Support the Formulation of Key Government Policies on Legal System (Assistance for the legal and institutional system development) 1995—1998: Technical Cooperation to Cho Ray Hospital 1995—2008: Rural Infrastructure Development and Living Standard Improvement Project
International affairs	Events	1972 : Normalization of Japan-China diplomatic relations 1979 : Soviet Union's invasion to Afghanistan 1979 : Iranian Revolution and U.S. Embassy takeover in Teheran	1981 : Establishment of U. S. -China diplomatic relations 1989 : Tiananmen Square protests in China 1989 : Democratization in the former Eastern European countries, the fall of Berlin Wall, the end of the Cold War	1991 : Dissolution of the Soviet Union 1997 : Asian Currency Crisis

Note: The project period of Japan's ODA on the list is based on Japanese Fiscal Year.

Soon after the establishment of the diplomatic relationship between Japan and Vietnam in 1973, Japan had expected Vietnam to play a key role to improve peace and stable development in South-east Asian countries. In November 1992, Japan resumed its ODA. Since then, Japan has supported Vietnam according to their development

policies and needs.

In the 1990s, Japan mainly invested to rehabilitate and develop large-scale economic infrastructure. Not only through the engineering approaches, Japan and Vietnam took the approaches of developing institutional and human resources for more appropriate strategies of Vietnam's

	2000s	2010s
	<p>Industrialization and joining the group of middle income countries</p>	<p>Attaining Sustainable Growth and Overcoming Vulnerabilities to Realize Industrialization</p>
	<p>2001 : Formulated the CPRGS 2005 : Law on Environmental Protection was passed 2005 : Law on Anti-Corruption was passed 2006 : Vietnam joined WTO 2007 : Vietnam elected as a non-permanent member of the U.N. Security Council</p>	
	<p>2003 : Japan-Vietnam Investment Agreement was signed 2003 : Japan-Vietnam Joint Initiative was launched 2007 : H. E. Mr. Nguyen Minh Triet, President of Vietnam paid the first visit to Japan as a state guest 2008 : Japan-Vietnam Economic Partnership Agreement (EPA)</p>	<p>2011 : Vietnam extended support to Japan after the Great East Japan Earthquake 2011 : Notification for the entry into force of the Japan-Vietnam Nuclear Cooperation Agreement 2013 : Prime Minister Abe visited Vietnam</p>
	<p>“Assistance for promoting growth, improving people’s living and society, and institutional and human resource development”</p> <p>1999—2012: Saigon East-West Highway Construction Project 2000—2011: Cuu Long (Can Tho) Bridge Construction Project 2000—2014: Vietnam-Japan Human Resources Cooperation Center 2001—present: Dispatch of Senior Volunteers (SV) 2001—2003: Artisan Craft Development Plan for Rural Industrialization in Social Republic of Vietnam 2001—2005: Construction of Facilities for Measles Vaccine Production 2003—present: Small-Scale Pro - poor Infrastructure Development Project 2004—2006: The Comprehensive Urban Development Programme in Hanoi Capital City 2004—2007: Project for Modernization and Internationalization of Customs Administration 2004—2012: Poverty Reduction Support Credit (PRSC) 2006—2012: Project for Strengthening the Capacity of ITSS Education at Hanoi University of Technology 2006—2016: Regional and Provincial Hospital Development Project 2007—2011: Hanoi City Ring Road No.3 Construction Project 2008—2012: Project for Capacity Building for Enforcement of Competition Law and Implementation of Competition Policy 2007—2015: Technical Assistance for the Legal and Judicial System Reform 2007—present: Ho Chi Minh City Urban Railway Project 2008—2009: The Study on Integrated Development Strategy for Danang City and Its Neighboring Area 2008—present: Hanoi City Urban Railway Construction Project</p>	<p>“Assistance for strengthening competitiveness, overcoming vulnerabilities and building fair society and nation for further industrialization”</p> <p>2012—2014: Strengthening the Capacity of the Office of the Government 2010—2011: Project for Strengthening the Capacities of State Bank of Vietnam 2009—2012: Project for Human Resource Development of Technicians at Hanoi University of Industry 2010—2015: Project for Capacity Development for the Laboratory Network in Vietnam of Biosafety and Examination of Highly Hazardous Infectious Pathogens 2010—present: The Project on Support Program to Respond to Climate Change 2011—present: The Formulation of Vietnam’s Industrialization Strategy 2011—present: North-South Expressway Construction Project 2011—2015: The Project for E-Customs and National Single Window for Customs Modernization 2012—2015: Project for Strengthening the Enforcement of Intellectual Property Rights in Viet Nam 2013—2016: Project for Strengthening the Capacity of Ho Chi Minh National Academy of Politics and Public Administration in training of political leaders and civil servants</p>
	<p>2000 : Adoption of the United Nations Millennium Declaration and establishment of the Millennium Development Goals (MDGs) 2001 : Attacks of Sept. 11, 2001 2003 : Outbreak of Iraq war 2004 : International outbreak of the avian flu 2008 : Lehman Shock</p>	



Japan-Vietnam Joint Initiative



Saigon East-West Highway Construction Project (Courtesy of Koji SATO)

transition to the market economy. Vietnam made a huge economic growth and joined the group of Middle Income countries in 2009. Vietnam is expected to accomplish many of the millennium development goals (MDGs) including the goals of basic education, poverty rate, infant mortality rate etc.

Both of the countries expect to further strengthen their partnership for the stable and sustainable socio-economic growth in Asian countries.

Efforts



Efforts by the Japan-Vietnam Partnership

(1) Japan has supported Vietnam with a balanced combination of trade, investment and ODA

Geographically and diplomatically, Vietnam is an important country for Japan. Supporting Vietnam's reconstruction and economic growth has been Japan's mission.

Sharing the understanding that "Economic growth will lead to poverty reduction" Japan has provided assistance for infrastructure such as roads, railways, power plants and ports, attracting foreign direct investment and creating employment opportunities with the collaboration of the public and private sectors. Thus, the three key development pillars of ODA, investment, and trade have been well balanced to accomplish the Vietnamese government's goal of economic growth and poverty reduction.

(2) Japan has promoted good coordination with multilateral and bilateral development partners

Japan has provided the largest amount of ODA among Vietnam's bilateral development partners each year since 1995. From 1992 to 2011, Japan provided the accumulated account of more than 2 trillion yen (about US\$19.7 billion) for Vietnam, combining financial cooperation approved and technical cooperation disbursed. The total disbursement of Japan's ODA accounted for 30%, the largest share among all development partners.

Japan has co-funded infrastructure and other projects with other development partners, each responsible for different areas or different sub-sectors.

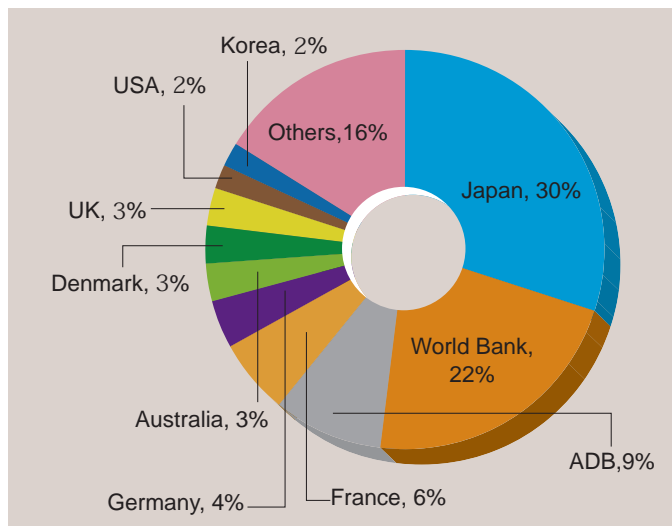


Figure 1: Accumulated ODA amount to Vietnam by donor(1992-2011)
(Source: OECD DAC Stats)

(3) Japan has continuously provided comprehensive assistance for socio-economic development in Vietnam

Japan has provided ODA not only for infrastructure but also for institutional strengthening and human resources development toward a market-oriented economy and for legal improvement to promote foreign direct investment.

Japan has also implemented projects to protect people's lives, livelihood and living environment: such as facility improvement and human resources development at the Cho Ray Hospital (Ho Chi Minh), Bach Mai Hospital (Hanoi), and Central Hospital (Hue), facility improvement against the measles and the avian flu, and environmental protection in Halong Bay.

(4) Vietnam's strong sense of ownership for their own socio-economic development

Vietnam has had a strong interest in Japan, which reconstructed the country after World War II to become a major economic power; and the government of Vietnam believed that it could learn the process from Japan.

Vietnamese officers and citizens have showed ability and enthusiasm to receive and utilize the technology transferred through Japan's ODA.

With strong sense of ownership for their own development, the Vietnamese people's patience and strong will to face difficulties have led to the achievement of their goals.

(5) Japan has supported strengthening the connection between the North and the South and the nationwide network

Shortly after resuming ODA to Vietnam, Japan implemented the Hanoi – Ho Chi Minh City Railway Bridge Rehabilitation Project and the National Highway No.1 Bridge Rehabilitation Project, to connect the North and the South.

In the beginning, Japan prioritized infrastructure development in the northern region, From the late 1990s, Japan focused on Ho Chi Minh City in the South; Da Nang and Hue in the central region; and in 2000's, the northern mountain areas and the Mekong Delta areas. Japan has strived to assist urban and rural development, and development of networks to connect hub cities to contribute to national economic development of Vietnam.

Technical cooperation→(T) Development study→(S) Loan→(L) Grant→(G)

Northern Mountain Region

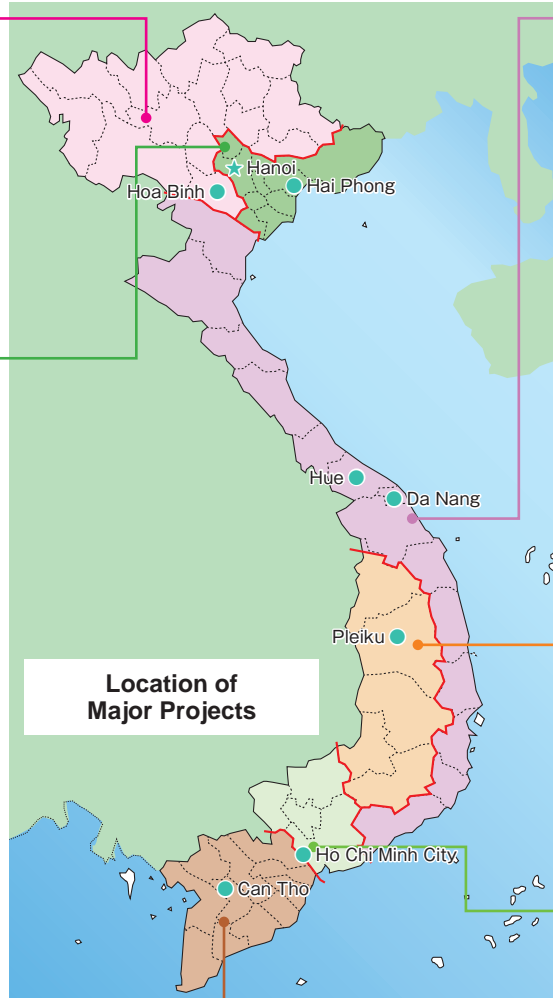
- The Project for Reconstruction of Bridges in the Northern District Grant Aid(G)
- The Project for Strengthening Health Service Provision in Hoa Binh Province(T)
- The project for Improvement of Facilities of Primary Schools in Northern Mountain Region(G)
- Enhancing Functions of Agricultural Cooperatives (T)
- Project for Sustainable Forest Management in the Northwest Watershed Area (T)

Red River Delta Region

- Hoa Lac Science and Technology City Development Project (L)
- Vietnam-Japan Human Resources Cooperation Center (Hanoi and HCMC) (T)
- Pha Lai Thermal Power Plant Project(L)
- Hanoi Drainage Project for Environment Improvement(L)
- National Highway No.5 Improvement Project(L)
- National Highway No.18 Improvement Project(L)
- Nhat Tan Bridge (Vietnam-Japan Friendship Bridge) Construction Project(L)
- Hanoi City Urban Railway Construction Project (L)
- Hai Phong Port Rehabilitation Project(L)
- Cai Lan Port Construction Project(L)
- Lach Huyen Port Infrastructure Construction Project(L)
- Terminal 2 Construction Project in Noi Bai International Airport(L)
- Project for the Traffic Safety Human Resource Development in Hanoi(T)
- The Project for the Improvement of Bach Mai Hospital, The Bach Mai Hospital Project for Functional Enhancement(G)(T)
- Project for Strengthening the Capacity of ITSS Education at Hanoi University of Technology(T)
- Project for Human Resource Development of Technicians at Hanoi University of Industry(T)
- The Project for Environmental Protection in Halong Bay(T)
- The Comprehensive Urban Development Programme in Hanoi Capital City (HAIDEP)(S)
- Bai Chai Bridge Construction Project (L)

Nation-wide

- Japanese Cooperation to Support the Formulation of Key Government Policies on Legal System(Assistance for the legal and institutional system development)(T)
- Technical Assistance for the Legal and Judicial System Reform(T)
- Project for Modernization and Internationalization of Customs Administration(T)
- Study on Economic Development Policy in the Transition Toward a Market-oriented Economy in Vietnam(S)
- Project for Strengthening Capacities of State Bank of Vietnam(T)
- The Study on National Energy Master Plan in Viet Nam(S)
- The Comprehensive Study on the Sustainable Development of Transport System in Vietnam(S)
- Artisan Craft Development Plan for Rural Industrialization in Social Republic of Vietnam(S)



Location of Major Projects

Note: ★ indicates Capital City (Hanoi).

Mekong River Delta Region

- Can Tho Thermal Power Plant(L)
- O Mon Thermal Power Plant(L)
- Cuu Long (Can Tho) Bridge Construction Project(L)
- The Faculty of Agriculture of Can Tho University(G)(T)
- Forest fire rehabilitation project (Ca Mau) (G)(T)
- Project for Climate Change Adaptation for Sustainable Agriculture and Rural Development in the Coastal Mekong Delta

Central Coast Region

- Da Nhim Hydroelectric Plant(L)
- Hue City Water Environment Improvement Project (L)
- Hai Van Tunnel Construction Project(L)
- Danang Port Improvement Project(L)
- Project for Improvement of Medical Service in the Central Region (T)
- The Project for Improvement of Facilities for the Hue Central Hospital (G)
- Reproductive Health Project in Nghe An Province(T)
- The Project for Improvement of Rural Living Conditions in Nam Dan District in Nghe An Province(G)
- The Project for Afforestation on the Coastal Sandy Area in Southern Central Viet Nam (G)
- Study on Integrated Development Strategy for Da Nang City and Its Neighboring Area (S)
- Phan Ri - Phan Thiet Irrigation Project (L)

Central Highlands Region

- The Project for the Groundwater Development in Central Highland Provinces (G)
- The Project on Capacity Development of Participatory Agricultural and Rural Development for Poverty Reduction in the Central Highlands (T)
- Project on the Villagers Support for Sustainable Forest Management in Central Highland(T)

Southeast Region

- Vietnam-Japan Human Resources Cooperation Center (Hanoi and HCMC)(T)
- Phu My Thermal Power Plant Project(L)
- Ham Thuan – Da Mi Hydropower Project(L)
- Dai Nihn Hydropower Project (L)
- Dong Nai and Ba Ria - Vung Tau water supply project(L)
- Ho Chi Minh City Water Environment Improvement Project(L)
- Saigon East-West Highway Construction Project(L)
- Ho Chi Minh City Urban Railway Construction Project(L)
- Cai Mep – Thi Vai International Port Construction Project(L)
- Tan Son Nhat International Airport Terminal Construction Project(L)
- Cho Ray Hospital(G)(T)
- Study on the Urban Transport Master Plan and Feasibility Study in HCM Metropolitan Area(S)

Projects to connect North and South (Hanoi and Ho Chi Minh City)

- Hanoi – Ho Chi Minh City Railway Bridge Rehabilitation Project (L)
- North-South Expressway Construction Project (L)
- National Highway No.1 Bridge Rehabilitation Project(L)

Contribution



Contribution to Socio-economic Growth through an Integrated Approach

In the early 1990's, basic infrastructure such as roads, railways, power plants and transmission networks, and water supply and sewage, was not ready for industrialization. Vietnam was one of the poorest countries in the world at that time. However, after several years had passed since Doi Moi was introduced, the country doubled its national income in the early 2000's, and joined the group of middle income countries in the late 2000's(Figure 2). There are many factors which

have contributed to Vietnam's rapid economic growth; and Japan, as one of the leading partners, has discussed, planned, and implemented ODA projects in response to the needs of the government and the people of Vietnam. Japan's ODA has also emphasized measures that support the synergistic effect of the respective sectors, which have produced sustainable outputs and impact on economic growth and poverty reduction.

(1) Increase in Japan's investment in Vietnam

The number of Japan's direct investment cases has continuously increased since 1993, although it declined in 1998 and 2008 as a result of the Asian Financial Crisis and the Lehman shock(Figure 3). Japan is the top foreign direct investor as of 2012 with a cumulative amount of 28.7 billion dollars (Vietnam General Statistical Office, GSO).

Soon after resuming ODA in 1992, Japan extended support for the three pillars of (i) the large-scale infrastructure, (ii) the Study on Economic Development Policy in the Transition Toward a Market-oriented Economy in Vietnam (So-called "Ishikawa Project"), and (iii) the legal and judicial system development to promote market economy. In addition to these three pillars, Japan has extended policy level support to increase investment from Japan by launching the Japan-Vietnam Joint Initiative.

Instead of imposing its own system or methodology, Japan has implemented technical cooperation projects by exchanging opinions with the Vietnam side on institutions suitable for Vietnam and for developing human resources. In this way, the technical cooperation projects have promoted mutual understanding and trust.

Japan' support has produced synergistic effects and has led to an increase of Japan's direct investment from the private sector.

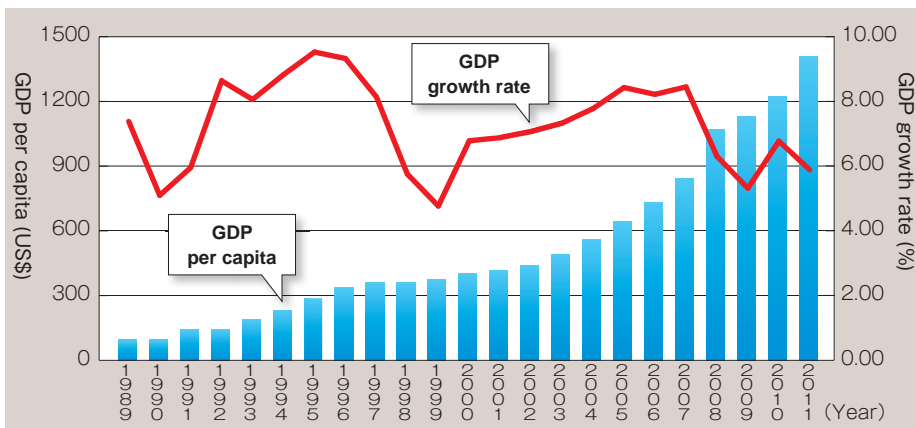


Figure 2: Vietnam's GDP Growth Rate and GDP per Capita (Source: Statistical data on World Bank website, 2013)

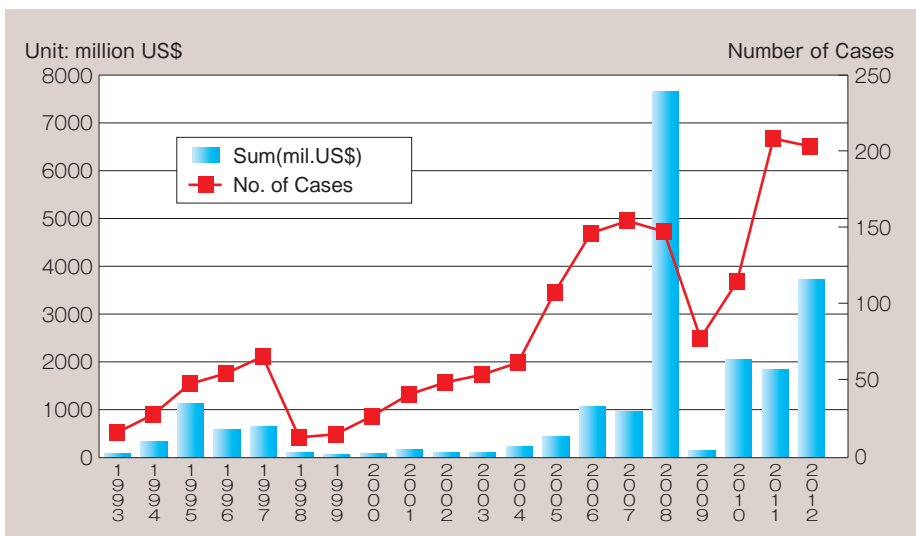


Figure 3: Japan's Direct Investment in Vietnam (Amount and No. of Cases) (Source: JETRO)
 Note: The majority of investment amount in 2008 was attributable to a large-scale investment in the Nghi Son oil refinery project.

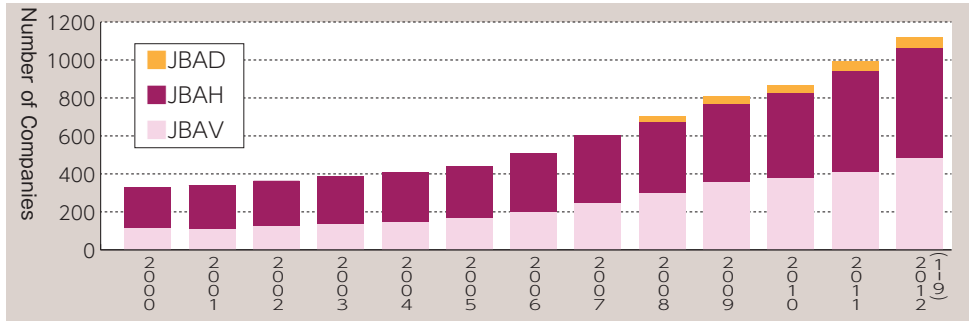


Figure 4: Number of Members in the Japan Business Associations in Vietnam
(Source:JETRO)

Note:JBAV=Japan Business Association in Vietnam(Hanoi, Haiphong, North Vietnam), JBAD=Japan Business Association in Da Nang, JBAH=Japan Business Association of Ho Chi Minh City

(2) Employment opportunity and poverty reduction

After the success of the Thang Long Industrial Park in Hanoi, private capital from Japan, Korea and other countries constructed industrial parks, which further expanded private investment and created employment opportunities. The number of members in the Japan Business Association in Vietnam has increased every year, which tripled from approximately 300 companies in 2000 to 1,120 in 2012.

The study carried out by Japan Bank for International Cooperation (JBIC, at that time) in 2007 revealed that development of the transport infrastructure in the North region, including National Highway No.5 Improvement Project, boosted the construction of industrial parks and direct foreign investment, which not only created employment opportunities in the industrial parks, but also created new businesses in the surrounding areas, and offered new markets for local agricultural products, which led to the increase in income of the local people and poverty reduction.

In 1993, the poverty rate was 58.2%. The rate drastically decreased to 14.2% in 2010 (Figure 5). In addition to Vietnam's own effort as well as private sector investment and other development partners' assistance, Japan's ODA has played an important role toward realizing this great achievement.

(3) Mutual Understanding between Vietnam and Japan

JICA's Data Collection Survey on Japan's ODA Impact in Vietnam conducted a questionnaire survey through the Internet for university students in Hanoi, Da Nang, and Ho Chi Minh City, bearers of this country's future.

For the question "Does Japanese ODA funds have an impact on development of Vietnam?"; 83 students out of 493 respondents (16.8%) replied, "Very positive impact," and 333 students (67.6%) replied, "Positive impact." Sector-wise, partly because the respondents were students, Japan's ODA for the education sector was

the most recognized, followed by transportation, urban development and healthcare. For the question, "Do Japanese ODA funds promote friendship between the two countries?"; 274 out of 491 respondents (55.8%) responded, "strongly promoted friendship," and 179 students (46.5%) responded, "promoted friendship." Based on these results, Japan's ODA is highly recognized and appreciated. The friendship created by ODA stakeholders in both countries led to the strong support for the Great East Japan Earthquake from Vietnam. The friendship through ODA, together with volunteers and the private sector is expected to be strengthened further.



JICA Project on Strengthening the Capacities for the Field of Management of Vietnam's Crop Production Sector for Improving the Productivity and Quality of Crop's Product in Vietnam

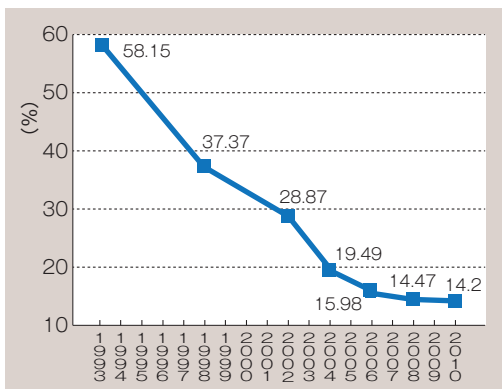


Figure 5: Changes in the Poverty Rate in Vietnam
(Source : "Vietnam Poverty Analysis" 2011, IFAD)



Electricity Infrastructure Development and Efficient Use of Energy

Since constructing the Da Nhim Hydroelectric Plant in the 1960's, Japan has assisted Vietnam in infrastructure reconstruction and economic growth. The energy sector has been one of the most prioritized areas of Japan's ODA. Japan has assisted in constructing power plants, transmission and distribution facilities, and transmission and substation facility development for industrial parks, and more. Japan's ODA for the energy sector totaled 493.9 billion yen (commitment)

from 1992 to 2011; and it was the second largest sector with a 23.8% share following the transportation sector. For the last 10 years, energy consumption in Vietnam has grown 13-14% annually, and the national electrification rate has exceeded 90%. The generating capacity of power plants constructed by Japan's ODA, including the on-going projects, accounted for 14% of the total capacity of Vietnam, as of 2011.

In addition to the plant construction, Japan has cooperated in developing a long-term national development plan, improving the capacity of power engineers, and promoting technical standards and others. Japan has also provided support for Vietnam to develop a comprehensive plan for energy conservation.

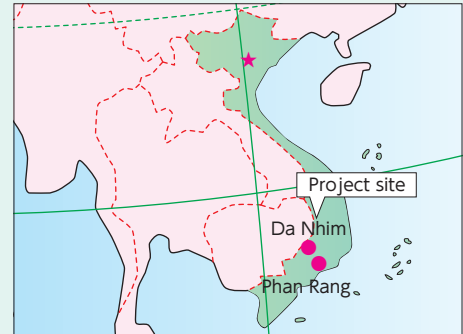
Support for Energy Sector : Case Study 1

Da Nhim Hydroelectric Plant Project (FY1961-1964)

Da Nhim Hydroelectric Plant, located in Lam Dong Province of Southern Vietnam, was constructed by Japan, and the construction started in 1961, the midst of the Vietnam War. The construction faced many difficulties, from transporting construction materials deep in the mountains to withstanding the turmoil of the Vietnam War. Nonetheless, the construction was completed much earlier than the initial plan, and the plant started operations in 1964. In the 1970s, transmission lines and substations, which had been destroyed in the war, were resumed. Further, in the 1990s, those facilities were rehabilitated, and they have played an important role as a power source for Ho Chi Minh City and the southern region.



The signing ceremony in 1960.



Excavation of the pressure tunnel



Da Nhim Hydroelectric Plant (Photo: JICA Ex-post Evaluation Report)



Da Nhim Dam

Major power plants developed by Japan's ODA

Power Plant	Year of Commencement	Year of Completion	Generation Capacity	Target area (Region)
Da Nhim Hydroelectric Plant	1961	1964	160MW	Southeast
Phu My Thermal Power Plant Project	1994	2005	1,092MW	Southeast
Pha Lai Thermal Power Plant Project	1994	2004	600MW	Red River Delta
Ham Thuan – Da Mi Hydropower Project	1995	2005	475MW	Southeast
Dai Ninh Hydropower Project	1999	2008	300MW	Southeast
O Mon Thermal Power Plant	2001	2011	300MW	Mekong River Delta
Thai Binh Thermal Power Plant	2009	2017(Planned)	600MW	Red River Delta
Nghi Son Thermal Power Plant Construction Project	2006	2016(Planned)	600MW	Central Coast

(Source: JICA Website)

Support for Energy Sector : Case Study 2

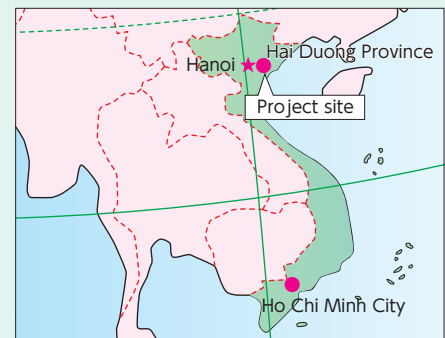
**Pha Lai Thermal Power Plant Project (1)-(4)
(FY1995-2004)**

In Vietnam, rapid economic growth after the launch of the Doi Moi policy substantially boosted power consumption. Power consumption increased from 1985 to 1995 by 2.9 times in the country, and by 2.3 times in the northern region.

A large-scale hydropower plant was constructed in the northern region, however, the output largely declined during the dry season, and the power supply was dependent on the Pha Lai Thermal Power Plant No.1, located in

Hai Duong Province near Hanoi.

In order to secure a stable power supply during both the dry and rainy seasons, a new anthracite coal fired power-plant was constructed adjacent to the existing Pha Lai Thermal Power Plant No.1. Power production by the project accounted for approximately 19% of the total power production in the northern region, and approximately 7% of the national power production (as of 2006). The number of beneficiaries is estimated at 6.47 million people.



The project contributed to meeting the increasing power demand of the northern region which underwent rapid growth in the early 2000s.



Pha Lai Thermal Power Plant Project



Control Room



Substation



Transportation Infrastructure for Strengthening the Nationwide and International Network

In the transportation sector, Japan assisted Vietnam in developing comprehensive transport development master plans; and based on these plans, Japan provided ODA for infrastructure development and technical cooperation.

In the early 1990s, the National Highway No. 1 was rehabilitated as a priority project. Japan co-financed ODA loan with the World Bank and ADB.

In the northern region, Japan implemented transportation network

development projects to improve the efficiency of goods transport. Japan also contributed to the development of the north-south transport axis through the Hanoi-Ho Chi Minh City Railway Bridge Rehabilitation Project.

Other areas of Japan's ODA include urban roads and railways to strengthen the city functions, facility development of major airports and ports to enhance the international network linkage, city and rural bridges, and so on.

Recently, Japan has implemented technical cooperation projects to

develop human resources capable of constructing facilities which meet international standards and of providing better services to improve safety in urban transportation.



Japan-Vietnam Friendship Train (The Hanoi – Ho Chi Minh City Railway)

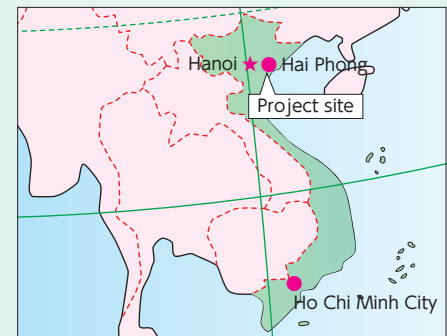
Support for Transportation Sector : Case Study 1

Transportation infrastructure development to improve the efficiency of goods transport in the Northern Region in Vietnam (FY1992-)

These projects as shown on the map on the next page were implemented based on a strategy to build road networks, which connected Hanoi and Hai Phong Port and Cai Lan Port, to attract industrial park development alongside the national roads and the port hinterlands.

projects aimed at improving the efficiency of goods transport in the northern region, and thereby improving the investment environment.

The development of the economic infrastructure led to the construction of various industrial parks/zones including Nomura-Haiphong Industrial Zone and improvement of the investment environment. Since then, many foreign companies have operated in those industrial parks/zones. FDI inflows have increased and employment opportunities have been created. Rehabilitated road networks have allowed the low-cost mass



transport of agricultural products and improved access to banks, education and health services.



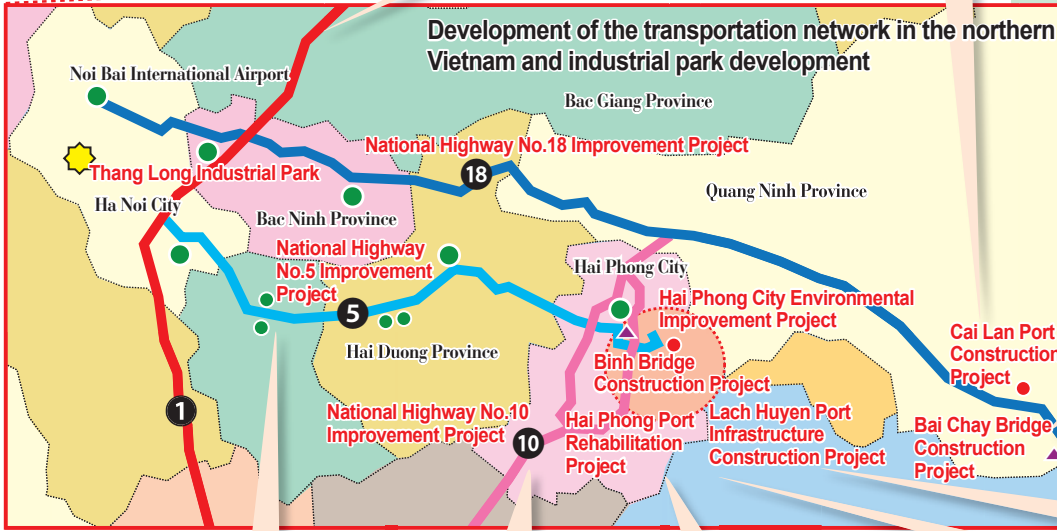
National Highway No.5 before improvement



Recent National Highway No.5

ODA Loan Projects

- National Highway No.1 Bridge Rehabilitation Project
- National Highway No.5 Improvement Project
- National Highway No.10 Improvement Project
- National Highway No.18 Improvement Project
- ▲ Bridge construction projects
- Port rehabilitation and expansion projects
- Industrial parks



National Highway No.1 Bridge Rehabilitation Project
 ODA Loan Amount : 41.9 billion yen
 Completion : 2004

Cai Lan Port Construction Project
 ODA Loan Amount : 10.3 billion yen
 Completion : 2004



Bai Chay Bridge Construction Project
 ODA Loan Amount: 6.8 billion yen
 Completion: 2006

Lach Huyen Port Infrastructure Construction Project
 ODA Loan Amount: 21 billion yen (Phase 1)
 To be completed in 2017

National Highway No.5 Improvement Project
 ODA Loan Amount: 21 billion yen
 Completion: 2000

National Highway No.10 Improvement Project
 ODA Loan Amount: 30.5 billion yen
 Completion: 2007

Binh Bridge Construction Project
 ODA Loan Amount: 80 billion yen
 Completion: 2005

Hai Phong Port Rehabilitation Project
 ODA Loan Amount: 17.3 billion yen
 Completion: 2006

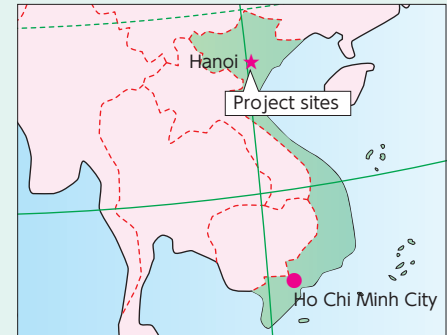
(Source : JICA)

Support for Transportation Sector : Case Study 2

The Project for Traffic Safety Human Resource Development in Hanoi (FY2006-2009)
The Project for Strengthening Traffic Police Training in Various Police Training Institutions (FY2010-2013)

In tandem with rapid economic growth the number of traffic fatalities has drastically increased. In order to address the situation, the Project for the Traffic Safety Human Resource Development in Hanoi, aimed at developing the capacity of Hanoi city officials in charge of traffic safety, was implemented. The project components included: 1) a pilot project at intersections on the Thai Ha Street, one of the most congested

streets with the most traffic accidents; 2) distribution of publicity materials; and 3) training. With the cooperation of the National Police Agency of Japan, and with the People's Police Academy, Ministry of Public Security as the implementing agency, the Project for Strengthening Traffic Police Training in Various Police Training Institutions was also implemented.



The current state of traffic congestion and traffic accidents is expected to improve in the future.



A police officer at traffic control



Traffic congestion with motorbikes and cars



Supporting Development of the Legal System and Strengthening Fiscal and Administrative Capacity

While developing infrastructure is vital to industrialization, clear and fair business rules and regulations are indispensable to promoting foreign investment. As Vietnam steadily moved toward a market-oriented economy, preparing basic laws and business-related systems, regulations and standards became necessary. Since 1996, Japan implemented three phases of the Project for Japanese Cooperation to Support the Formulation of Key Government

Policies on Legal System for 10 years, to provide support by sharing Japan's legal and human resource development systems and providing professional advice on the amendment to the Civil Code. In addition, Japan has supported the development of systems and the strengthening of administrations related to business activities, in such areas as the competition law, tax and customs, and intellectual property rights. Currently, Japan is providing technical

cooperation to core organizations in the legislative, judicial and administrative bodies of Vietnam, including the office of the government and the national assembly as well as the Ho Chi Minh National Academy of Politics and Public Administration (HCMA). For instance, a technical cooperation project has been implemented to support HCMA to train key administrative officials.

Support for Governance Sector: Case Study 1

Japanese Cooperation to Support the Formulation of Key Government Policies on Legal System (Phase 1-3) (FY1996-2006)

Japan provided support in the field of legal system development based on its own experience which established models appropriate to Japanese society and culture, while learning from European countries. In this cooperation, Japanese professionals provided information on Japan's legal and judicial systems as well as personnel system. Based on this, the Vietnamese side prepared a draft of relevant laws, which the Japanese side provided comments. Through such support, Vietnam successfully formulated and enacted by 2007, basic civil and commercial laws such as the revised Civil Code, Civil Procedure Code, Intellectual Property Law, and Law on Enterprise Bankruptcy.

This provided an important foundation for Vietnam's economic open-door policy and contributed to the progress toward a country governed by laws and the improved investment environment.



Manuals and textbooks prepared by the cooperation for legal system improvement

Support for Governance Sector: Case Study 2

Technical Cooperation Project for Capacity Building for Enforcement of Competition Law and Implementation of Competition Policy in Vietnam (FY2008-2012)

The Project carried out activities to enhance the investigative functions of the Vietnam Competition Agency (VCA) and to promote and disseminate knowledge concerning the Competition Law among governments, enterprises, consumers and academics.

To this end, VCA established three working groups to work jointly with the Japanese experts in the areas of investigation, capacity building, and advocacy.

In order to enhance investigative functions, these working groups analyzed the present situation, updated investigative skills, prepared needed guidelines and manuals for investigators, improved skills to define relevant markets, and implemented a market survey with the help of JICA's experts. For activities in competition advocacy, the responsible working group reviewed and discussed methods of effective advocacy and conducted advocacy activities through seminars, workshops and leaflets. As a result, the number of VCA investigations rose from 0 in 2006 to 45 in 2012. The number of VCA's resolution of incidents increased from 12 in 2006 to 98 in 2011.

Business

Supporting Transition to a Market-oriented Economy and Increased Foreign Direct Investment

In conjunction with the support for the legal system and administrative reform, Japan conducted “the Study on the Economic Development Policy in the Transition toward a Market-Oriented Economy.” The joint study project served as a foundation for developing mutual understanding and trust between the two countries.

In 2003, the two countries launched the Vietnam-Japan Joint Initiative to improve the business environment to strengthen Vietnam’s competitiveness.

Since then, the initiative has functioned as an effective platform for identifying problems and discussing the measures to take between the relevant authorities in Vietnam and the Japanese government as well as private organizations.

This support and initiative have, coupled with the cooperation for economic infrastructure such as roads and ports, contributed to the expansion of investment by Japanese firms to Vietnam (Figure 3).

Japan’s ODA has also been provided to develop infrastructure in neighboring areas of industrial zones to promote Vietnam’s industrialization. In addition, cooperation for institutional and human resource development has been conducted in a variety of areas, such as intellectual property rights, accreditation and certification, fiscal and banking system, small and medium-sized enterprises promotion, etc.

Support for Economic and Business Institutions: Case Study 1

Study on the Economic Development Policy in the Transition toward a Market-Oriented Economy (“Ishikawa Project”)*1 (Phase 1-3) (FY1995-2000)

In the 1990s as the Doi Moi policy got on track, the government of Vietnam was trying to examine the future direction of its transition to a market-oriented economy.

Vietnam expected Japan to provide suggestions from a different point of view from that of western countries, since Japan was the first country to achieve economic development in Asia.

Against this background, the Ishikawa project started to provide concrete and strategic recommendations to deal with various issues raised in the transitional process of the economic system and to formulate the socio-economic development plan.

The project was carried out by a joint research group consisting of about 20 economists from Japanese universities and about the same number of senior experts from the Vietnamese government.

The Ishikawa Project greatly contributed to facilitating the process of the Vietnamese government forming its basic stance on the transition toward a market-oriented economy.



Talks between Dr. Ishikawa and Mr. Le Kha Phieu, the General Secretary of the Communist Party of Vietnam

*1 Because Dr. Shigeru Ishikawa, an emeritus professor at Hitotsubashi University, served as the leader, the series of cooperation by this study is known by the name of “Ishikawa Project”.

Support for Economic and Business Institutions: Case Study 2

Project for Human Resource Development of Technicians at Hanoi University of Industry (FY2009-2012)

Japan started cooperation in 2000 with the Hanoi Industrial College (HIC), which was later promoted to HaUI. HaUI fosters future technicians and skilled workers in machining, electric and electronic engineering, and automobile engineering, while striving to identify the needs of the industry and to develop textbooks and lectures in collaboration with private enterprises. Many of the graduates are employed in foreign enterprises including Japanese manufacturers. Thus, HaUI is a success model for other educational institutions.

Students in HaUI are encouraged to practice the 5S (i.e. Sorting, Streamlining, Standardizing, Systematic Cleaning, and Sustaining Discipline). The university also provides training in manners, diligence, and rules in the workplace.

After the great earthquake hit eastern Japan in March 2011, HaUI collected donations from lecturers, students, and university staff and contributed 100 million dong (about 400 thousand yen), proving the strong bond between HaUI and Japan.



Practical training at Hanoi University of Industry



Strengthening Health Care Services to Support People's Health and Lives

After resuming its ODA in 1992, Japan embarked on support to improve medical facilities at the core hospitals as well as their human resources and operations, in order to rehabilitate the health care system in Vietnam. The cooperation was then extended to include support for hospitals in rural areas.

In 1997, the Reproductive Health Project was started to promote primary maternal and child health care in the central region. This

project was carried out for 10 years in cooperation with JOICFP, a Japan-based NGO, which contributed to the improvement of maternal and child health care. Since 2011, the Project for Implementing the Nationwide Maternal and Child Health Handbook has been conducted based on Japan's experience.

A project to improve the vaccine production system began in 2000 that evolved into a project in 2006 on the technical transfer of measles

vaccine production. To address dangerous diseases such as SARS and the bird flu, a series of projects for strengthening the capacity of the national research institution were provided.

Due to the effort of the Vietnamese government with the support from Japan and other donors, the infant mortality rate for children under the age of five improved from 58.1 children per 1000 births in 1990 to 23.3 children in 2011 (Figure 6). The

Support for Health Sector: Case Study 1

Support for the Three Top Referral Hospitals, “Project on Cho Ray Hospital” (FY1995-1998); “Bach Mai Hospital Project for Functional Enhancement” (FY1999-2004); and “Project to Improve Medical Services in the Central Region” (FY2005-2010)

In Vietnam, the medical and health care system had broken down in the aftermath of years of war. Japan has rendered support to the Cho Ray hospital (Ho Chi Minh City), the top referral hospital in the south region, by providing new facilities in 1974. From 1992, rehabilitation of obsolete facilities and provision of medical equipment were conducted. Technical cooperation project was initiated in 1995. Similarly, Japan provided facilities and equipment to the Bach Mai Hospital (Hanoi City) and the

Central Hospital (Hue). Japan's cooperation was characterized by its approach based on the top three national hospitals located in the north, central and south regions of Vietnam respectively. Considerable inputs were provided to the core hospitals in terms of facilities and equipment as well as human resource development. Cooperation was then extended to strengthening lower-level hospitals such as provincial and district hospitals. It led to the enhancement of the national networking of health care

services.

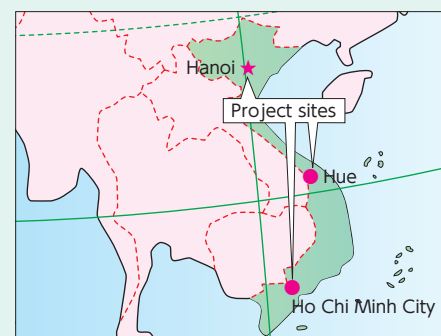
The Cho Ray hospital has now become a huge hospital with 3,000 staff members and 1,700 beds. It receives about 100,000 inpatients and 1 million outpatients a year. The other core hospitals serve similar functions. However, there are still many areas in the country where access to health care service is limited. Reducing the disparity in health service is a major challenge in the future.



Cho Ray Hospital



Training at the Training Center of Bach Mai Hospital



infant mortality rate for infants under one year of age and the maternal mortality rate have also shown dramatic improvement.

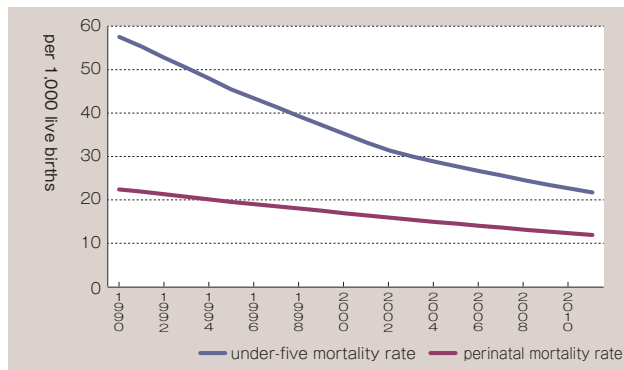


Figure 6 : Under-five mortality rate and perinatal mortality rate



In service training of midwives by a Japanese expert (JOICFP)

Support for Health Sector: Case Study 2

Capacity development for NIHE to control emerging and re-emerging infectious diseases (FY2005-2010)

At the National Institute of Hygiene and Epidemiology (NIHE), a Biosafety level (BSL) 3 laboratory that can handle high-risk pathogens such as the avian flu was set up under Japan's grant aid. Previously, there was no BSL-3 laboratory in Vietnam, and samples had to be sent abroad for testing when a potentially high-risk infectious disease emerged.

This technical cooperation project

was implemented to put the BSL-3 laboratory in action and to ensure its safe operation to allow the NIHE to identify high-risk pathogens as soon as possible.

The BSL-3 laboratory has already showed its usefulness in confirming the diagnosis of H1N1 type influenza when it became epidemic in 2009.

The world has now become smaller because of the development of

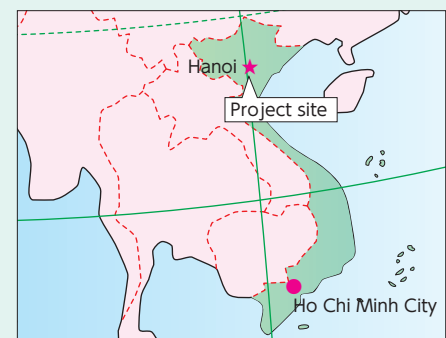
transportation system. Thus, speed is a key to the containment of infectious diseases. The BSL-3 laboratory is expected to greatly contribute not only to the safety of Vietnam but to that of the world.



A Japanese expert and Vietnamese researchers having a conversation in front of the BSL-3 laboratory



Inside of the BSL-3 laboratory





Narrowing Regional Disparities through Agriculture and Rural Development

Since the agriculture and forestry sector accounts for 13.4% of the total GDP in Vietnam; therefore, ensuring safety, improving quality and creating high value-added have been strongly desired. Improving the degree of food self-sufficiency of the country has been another important issue. Additionally, developing infrastructure and diversifying livelihoods are significant to reducing regional economic disparities, since around 70% of the population live in

the rural areas, where the poverty ratio is much more higher than in the urban area(Figure 7).

Japan has given the priority to infrastructure improvement in rural areas as in the “Small-scale Infrastructure Improvement Project in Poverty Areas” and development of technology and human resources as in the “Can Tho University Agricultural Department Technical Cooperation Project” etc. Japan’s cooperation to reduce

economic disparities includes technical cooperation to promote local industries and to support minority groups, mainly in the regions of Northern Mountain, Central Highlands, and the Mekong River Delta. Through a participatory approach, people are encouraged to identify problems in their commune independently and to take measures to improve their livelihoods according to their needs.

Support for Agriculture and Rural development: Case Study 1

“Phan Rang Irrigation Project” (FY1963-1973)

The coastal area of Vietnam’s southeast region is a dry area in a country that is commonly seen as having a hot and humid climate. Although it may rain in the area, it rarely rains in the dry season. This makes irrigation essential to the steady and efficient cultivation of rice. This irrigation system constructed 50 years ago utilized the water released by the Da Nhim Hydropower Plant which was constructed with Japan’s ODA.

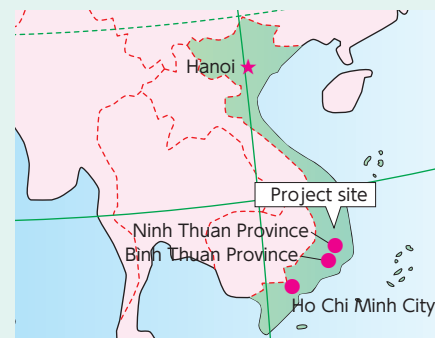
The irrigation channels were completed in 1967 after going through many difficulties during the Vietnam War. People in the area call the channels, “Japan Channels,” with a feeling of respect, gratitude and friendliness for the construction and the benefits gained from irrigation.

Currently, the Phan Ri - Phan Thiet Irrigation Project is underway under

Japan’s ODA loan, in Binh Thuan Province adjacent to Ninh Thuan Province. This project plans to utilize the water released from the Dai Ninh Hydropower Plant, modeled on the Phan Rang project. This is one evidence that the Da Nhim Hydropower Plant and the Phan Rang Irrigation is highly appreciated by the Vietnamese government, which then decided to apply the experience to the Dai Ninh Hydropower Plant and the Phan Ri – Phan Thiet Irrigation Project.



A Channel constructed by the Phan Rang Irrigation Project: The land has been enriched with irrigation water for 50 years.



Headworks constructed upstream of the Phan Ri-Phan Thiet irrigation channel

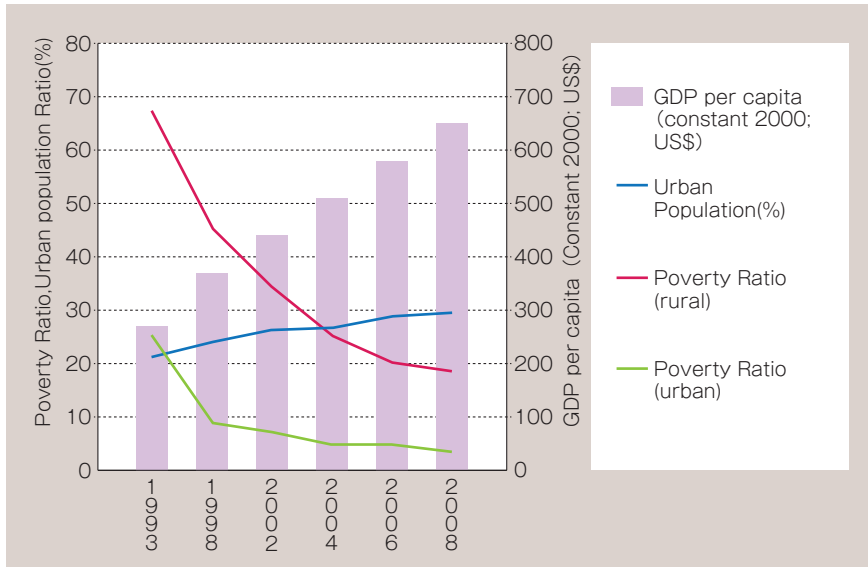


Figure 7: Trend of GDP per Capita and Poverty Ratio



The Project on Capacity Development of Participatory Agricultural and Rural Development for Poverty Reduction in the Central Highlands: A scene from the Farmers Field School at a target commune



Northwest Region Rural Development Project: Farmers workshop at a target commune

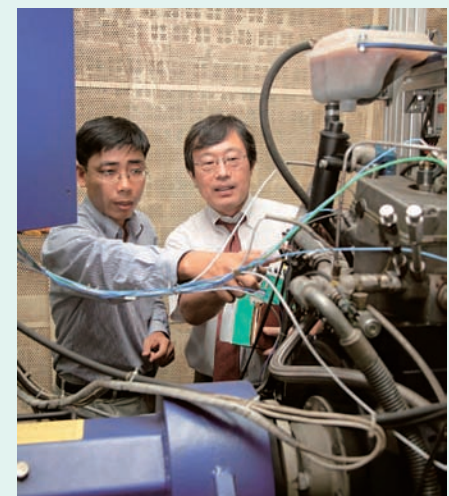
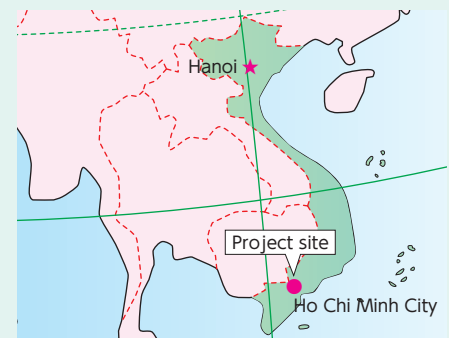
Support for Agriculture and Rural development: Case Study 2

“Capacity Building of Ho Chi Minh City University of Technology to Strengthen University-Community Linkage” (Phase 1 and 2) (FY2005-2012)

As Vietnam moves steadily toward an industrialized, modern and globalized country, there is a growing need to reinforce the university system and the educational and research functions of universities. The Project was conducted for the Ho Chi Minh City University of Technology (HCMUT), which serves as the leading research and educational institution in southern Vietnam, to promote research and development (R&D) according to local needs and to provide feedback. The aim of the project was to contribute to community development through university-community linkage activities. The project team led by the Toyohashi University of Technology and Kumamoto University supported HCMUT.

To create successful practical application models based on their

research results jointly developed through university-community collaboration, HCMUT carried out 12 pilot research projects every year. For example, the research team of HCMUT conducted a “Study on Collagen Extraction from the Wastes of Fishery Processing Plant for Cosmetic and Pharmaceutical Application” in collaboration with An Giang Province, and “Preparation of Filter Aids Based on Lam-Dong’s Diatomite” with Lam Dong Province. The research activities in the Project attracted the interest of some local firms. If more firms participate in joint research with the university, there will be greater potential for the local technology to attain international levels.



Mr. Ishibashi & Mr. Huynh Thanh Cong at the laboratory of HCMC Univ. of Technology

Natural Environment Conservation and Urban Environment Improvement

In the early 1990's, there was no specific policy on environmental management was promulgated in the 5th Socio-Economic Development Plan. However, environmental conditions had gradually deteriorated mainly due to the onrush of economic recovery and development and rehabilitation of the infrastructure. After resuming its ODA in 1992, Japan has provided assistance to Vietnam for improving the urban environment for integrating water and sewerage,

urban drainage, and solid waste in Hanoi City and Ho Chi Minh City. In particular, in order to improve the water environment, a series of ODA loan projects have been conducted, which showed successful results. In 1998, Japan conducted "The Study on Environmental Management for Halong Bay" to support the formulation of an environmental management plan to be compatible with development of Halong Bay where environmental destruction was anticipated due

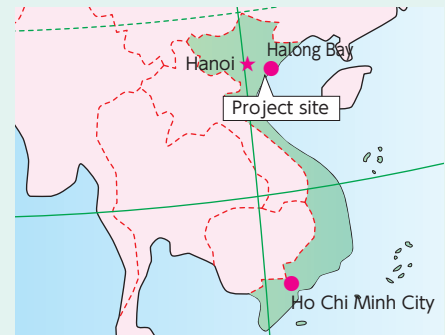
to rapid development. In addition, various technical cooperation projects have been conducted to strengthen Vietnam's administrative capacity of environmental management. Since 2010, Japan has been supporting the Vietnamese government's effort to tackle climate change by holding policy dialogues as well as financial cooperation, through the combination of technical cooperation and ODA loans for "Support Program to Respond to Climate Change".

Support for Environment Sector: Case Study 1

The Project for Environmental Protection in Halong Bay (FY2009-2012)

The Halong Bay was registered as a World Natural Heritage Site in 1994. About 1.5 million tourists visit the area annually. The environmental conditions of the bay was, however, expected to deteriorate due to wastewater from tourism facilities and large-scale coal mines in and near the area as well as domestic sewage from Halong City. The Environmental Management Plan for Halong Bay formulated in 1998, suggested a comprehensive plan to advance environmental measures including organizational and institutional improvements and the development of physical facilities to help balance the natural environment and economic development. And the plan led to the launch of "The Project for Environmental Protection in Halong Bay." In the Project, plans for environmental

monitoring, inspection, and administrative guidance for sources of pollution were developed and implemented. In addition, based on the training conducted for related organizations, monitoring and inspection were carried out according to these plans. In view of the importance of public awareness about the environment, materials for environmental education and public relations were developed, and campaigns and events were held targeting citizens and tourists. The Project was conducted in collaboration with other Japanese cooperation activities such as a grass roots project under the JICA Partnership Program and JICA volunteers, which have contributed to environmental protection in the Halong Bay area.



Landscape of Halong Bay



Old City Area of Hanoi Ravaged by Torrential Rain



Training for water sampling and water quality monitoring at the Halong Bay

Support for Environment Sector: Case Study 2

Hanoi Drainage Project for Environment Improvement (1) & (2) (FY1995-2014)

Japan provided assistance to develop Hanoi's Master Plan for Drainage and Sewerage System in 1994. In 1995, Stage I of the Hanoi Drainage Project was initiated to alleviate large-scale flood damage in the core urban area of Hanoi.

In 2006, Stage II of the Project began to upgrade the Yen So Pumping Station to increase its capacity, and to renovate lakes, regulating reservoirs and wastewater treatment plants. Stage II is expected to be completed in 2014. In connection with this Project, Chiba Prefecture of Japan implemented a project from 2008 to provide support to enhance the operations and maintenance system at sewage treatment plants as well as to provide environmental education and raise awareness in the community.

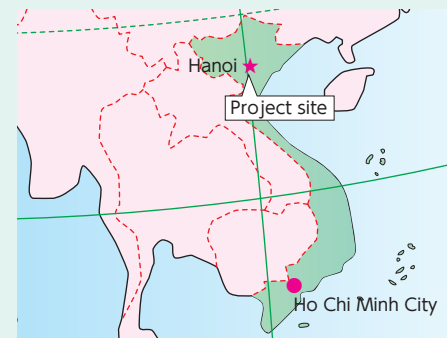
When Hanoi was hit by the worst

torrential rain on record in 2008, it took about a week for the flood waters to recede compared to two months on previous occasions, thanks to the Yen So Pumping Station constructed by Stage I of the Project. As a result of the subsequent upgrade, the station has doubled its drainage capacity.

Prolonged inundation may cause greater damage to the economy as well as people's health and hygienic conditions due to the outbreak of infectious diseases. The Hanoi Drainage Project is producing substantial results to mitigate potential damage from flooding.



Yen So Pumping Station



View of Completed Section of the To Lich River Improvement Works



Broader and Deeper Human Bonds between Vietnam and Japan Created by JICA Volunteers

The Japan Overseas Cooperation Volunteer (JOCV) Program for Vietnam started in 1995. In the beginning, the dispatch of JOCVs was limited to Japanese-language instructors to Hanoi. The sincere efforts of JOCVs became highly appreciated over time. By July 2013, 345 JOCVs, and 129 Senior Volunteers (SVs) have been dispatched to serve in various fields. In the health sector, in cooperation with JICA technical cooperation projects, JOCVs are working to improve nursing

quality, rehabilitation, and maternal and child health.

A series of dispatched JOCVs to preserve the ancient townscape of Hoi An led to an increased awareness about environmental conservation and helped promote tourism activities in Hoi An City and other areas, which were implemented in collaboration with grassroots projects under the JICA Partnership Program.

The dispatch of SVs to support industry development, and a newly established

volunteer program in partnership with the private sector, are expected to contribute to the economic growth of Vietnam.

While deepening direct exchanges with the Vietnamese people, JOCVs and SVs are working in the front lines of the partnership between the two countries.

JICA Volunteer Program: Case Study 1

Preservation of the Townscape and Tourism Development in Hoi An

With an increased number of tourists visiting Hoi An, Government of Vietnam requested Japan for cooperation to preserve the townscape of a Hoi An.

A Japanese university team started a townscape and archeological study in 1992, followed by restoration work with the financial support of Japanese private enterprises. In conjunction with this, JICA's technical cooperation was provided in the fields of archaeology, building restoration.

After the designation of Hoi An as a World Cultural Heritage Site in 1999, from 2003 to the present, JOCVs have been continually dispatched in the fields of architecture, environmental education and tourism. The JOCV activities have been carried out in collaboration with the projects implemented by Okinawa-based Japanese NPOs.

Hoi An is now proud that it serves as a successful model of "living heritage" in the outside world.



Townscape of Hoi An

JICA Volunteer Program: Case Study 2

Japanese Language Teachers

There have been a growing number of people in Vietnam who study Japanese to find a job or to earn a salary raise. More universities or colleges have a Japanese language department. A total of 75 JICA Volunteers have been assigned to Japanese language education in Vietnam since 1995 until now. They have worked at the University of Languages and International Studies – Vietnam National University, Hanoi (ULIS), Hanoi University of Foreign Trade, etc.

At the ULIS, a senior volunteer teaches a class of 30 students. About 90 students study the Japanese language and about 30 study Japanese language teaching methods every year.

Among the graduates, nearly 60 percent have been employed by Japanese enterprises, almost 10 percent of the graduates have become Japanese language instructors.



JICA Senior Volunteer Teaching a Class at the Foreign Language University of VNU

Ms. Nguyen Thi Bick

Director of International Cooperation Department, Ministry of Finance



Japan has been one of the biggest sponsors in Vietnam for the past 20 years. Government of Vietnam has provided significant assistance in the innovation of government finance, tax and customs, reorganization of state enterprises and capacity improvement of the financial staff. This assistance has contributed to improvement of the investment environment, which has led to socio-economic development and the international integration of Vietnam.

For its 40th anniversary, the Ministry of Finance would like to request Japan's continuous and invaluable assistance, especially, in the innovation of government finance management; and we wish for the continuous and stable support of the Vietnam-Japan partnership.

Mr. Nguyen Hoang

Director of Planning and Investment Department, Ministry of Transport



The Japanese government has supported the Ministry of Transport in implementing 18 completed projects, a total investment of US\$2,340 million. All transportation projects using Japanese ODA are highly appreciated by the Government of Vietnam and other donors for contributing to economic growth and poverty reduction in recent years.

In order to assist Vietnam to become a modern industrialized country by 2020, we will make greater efforts to promote socio-economic growth in further cooperation with Japan for the development of the transport sector, as the Prime Ministers of the two countries had pledged in recent visits.

Strengthening Vietnam-Japan Partnership Further

Dr. Tran Thi Giang Huong

Director of International Cooperation Department, Ministry of Health



Japan is one of the largest sponsors in the Vietnamese health field. ODA projects from the Japanese government in this sector are very comprehensive and stable. All of them place priority on the demand by the Vietnam side, as a result, they have been effective and contributed positively patient care, diagnosis and treatment. We do hope the cooperation with the Japanese government in health care will be continuously integrated and strengthened.

Mr. Sato Motonobu

Chairman of the Japan Business Association in Vietnam (JBAV) Managing Officer of Mitsui & Co. LTD - General Director of Mitsui & Co. Vietnam LTD.



Congratulations on the 20th anniversary of Japan's ODA since its resumption.

The JBAV was established in 1992 with 26 members. Since then, we have shared the same path with ODA and have now grown to an association with 524 members in the northern region and more than 1,200 members throughout Vietnam. Japanese government assistance to improve infrastructure and technical capacities in Vietnam has become solid incentives to encourage new investments from the private sector, which has contributed to the development of Vietnam. We will actively pursue collaboration with the Japanese government to further contribute to Vietnam and Japan.

M E S S A G E



“To Date and from Now on”

Mr. Mutsuya Mori

Chief Representative, JICA Vietnam Office



Throughout 40 years of diplomatic relations between Vietnam and Japan and 20 years of Japan's ODA for Vietnam after its resumption, the two countries have worked hand-in-hand in close cooperation as valuable friends. Today's development of Vietnam is a result of the continuous self-reliant effort by the Vietnamese people. It is our great pleasure to know that Japan's support including ODA has contributed to the development of Vietnam's society and economy.

Vietnam is trying to take a leap toward an industrialized country by 2020. Japan and JICA will advance together with Vietnam, while sharing the joys and hardships, for further development of the country as well as the friendship between the two countries. I look forward to the next 20 years enormously.



Ring Road No.3 in Hanoi City



Noi Bai International Airport Terminal 2
(composite image)



© Mon Thermal Power Plant



Bai Chay Bridge



Hai Van Tunnel



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