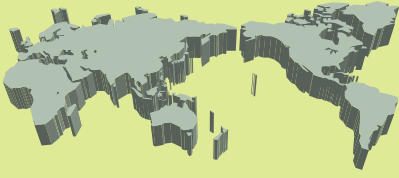
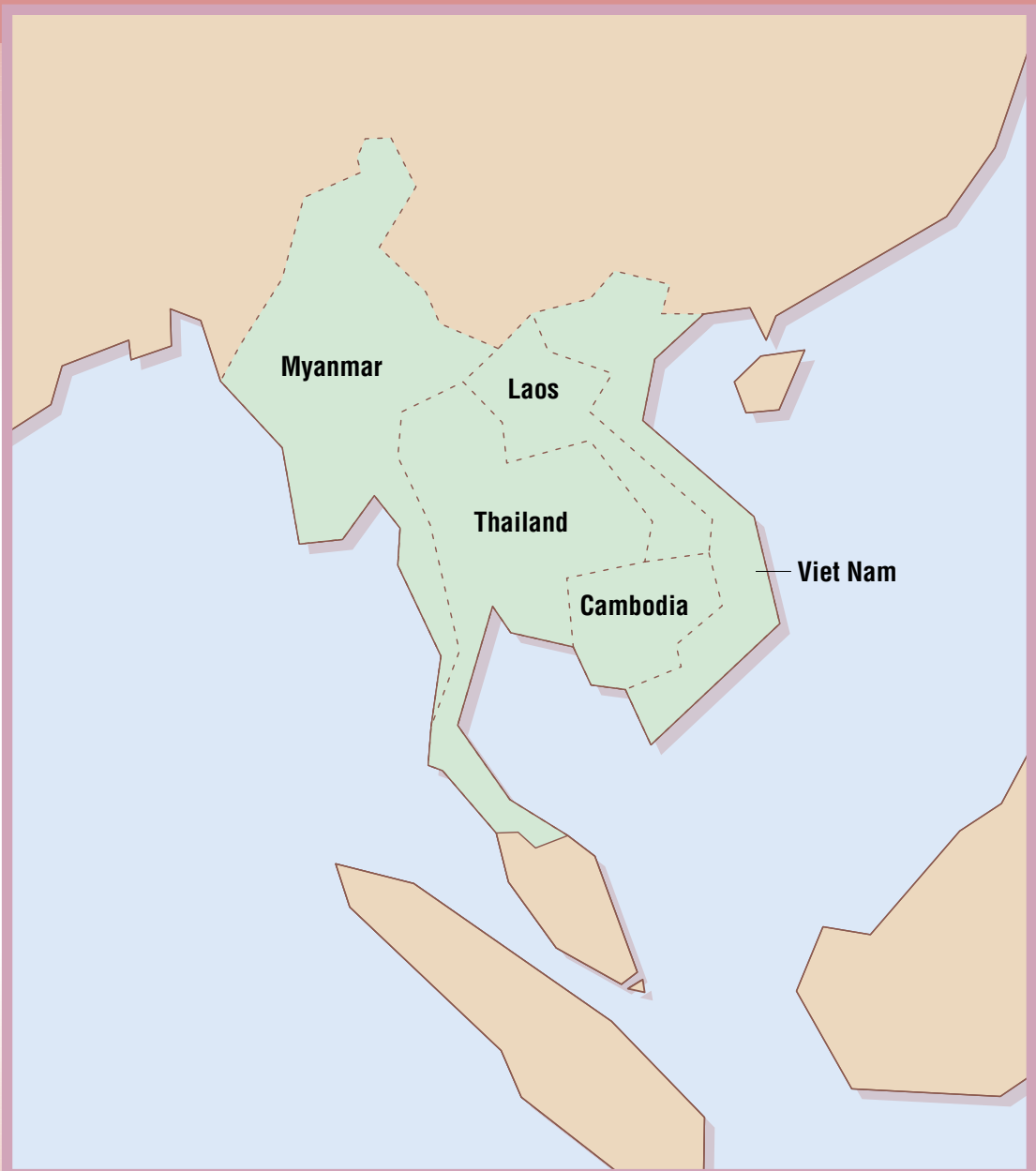


Chapter 1

Asia



2. Indochina



Current State of Development



Community Empowerment Program project aimed at encouraging self-reliance among women through training in textile production (Laos).

Ongoing Development Toward a Free Economic Zone

Indochina comprises five countries: Cambodia, Laos, Myanmar, Thailand and Viet Nam. These countries share natural resources centering on the Mekong River, which flows from north to south through the center of the Indochinese peninsula, and are closely related economically, culturally and historically.

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

Japan continued for many years to provide economic cooperation in the form of postwar reparations. Aid to the region was then frozen with the outbreak of the Viet Nam War, and until the second half of the 1980s, diplomatic relations remained almost non-existent. The introduction

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

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

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

In April 1999, Cambodia joined ASEAN, marking

Basic Principles of JICA Aid for Indochina

Indochinese countries are, in general, lagging behind the other countries of ASEAN due to historical and geographical factors. Long years of colonial domination, tyrannical government, and incessant war and political upheaval have destroyed the productive infrastructure of these nations and their capacity to allow their peoples to lead normal lives. Individuals with specific talents and abilities have been lost or now live abroad. Even today, when political conditions are gradually returning to normal, the scars left by these years are deep, and a long-term response leading to recovery is required.

Among the various problems facing these

three countries, JICA is particularly concerned with urgent issues such as administrative, financial and political reform, and the realization of capitalist economic structures. While compensating for the weakness of governments (shortages of personnel, budget and facilities) in receiving aid, JICA continues to formulate and implement medium- and long-term projects in specific aid fields through a combination of methods.

For example, as part of the “Japan-Myanmar Cooperation Programme for Structural Adjustment of the Myanmar Economy” and the “Economic Policies Support” project in Laos,

teams of consultants and academics are to be formed for each area to carry out policy recommendations and technology transfer.

In addition, under the “Support Program for Primary Education” project to be started in Viet Nam, JICA is going to co-develop concrete measures to implement the long-term program of the government of Viet Nam. At the same time, JICA will work to coordinate its activities with other aid organizations while planning and developing the specific content of Japanese cooperation.

the entry of all the countries of the Indochinese peninsula into ASEAN and the ASEAN Free Trade Area (AFTA). In addition, at the ASEAN+3 (Japan, China, and Republic of Korea) Summit Meeting of November 1999, "The Joint Statement on East Asia Cooperation" was adopted. Thus,

countries of the Indochinese peninsula are establishing close economic and political relations with the East Asian countries, and the region as a whole is continuing to draw closer to becoming a free trade economic zone.

Tackling Priority Issues in JICA Programs

Promotion of Cooperation in the Legal and Economic Fields

In the "economies in transition" of this region, vestiges of organizational structures, laws and policies strongly reflecting communist political concepts and



Thai technical training participants acquiring know-how for resolving environmental problems that occur as a result of economic growth.

the planned economy are still evident in several countries. Basic political and economic institutions are still not in place due to long years of tyrannical government and civil war. The social conditions applying in these countries are relatively similar. As a nation actively interested in cooperating economically with the region

Front Line

Support for Disabled Persons at the Rehabilitation Center in Siem Reap Province

Cambodia

Supporting Livelihoods as well as the Rehabilitation of Bodies

Community Empowerment Program

◆ Tens of Thousands of People Have Lost Arms or Legs

The Rehabilitation Center of Siem Reap Province is situated in Siem Reap, a town in the west of Cambodia that is famous for being the location of Angkor Wat. Here, Handicap International Cambodia, the Cambodian branch organization of the international non-governmental organization (NGO), Handicap International, is providing support for disabled persons.

In Cambodia, there are between 30,000 and 40,000 people who have lost their arms or legs because of the civil war, which lasted for over 20 years, and continuing accidents involving landmines. Accidents caused by landmines and unexploded bombs still occur at a rate of about 100 each month. Many of these victims come to the center needing rehabilitation.

People living in rural areas stay at the center free of charge and receive rehabilitation and training on the use of artificial limbs. As roads are closed during the rainy season, the center receives more people in the dry season, when transportation is easier.

Artificial limbs do not usually last more than two years, and repairs or replacements are constantly needed. Between January and March 2001, 383 people visited the center to have artificial limbs or canes made and for rehabilitative training.

◆ Expectations Directed at NGOs

Disability, combined with poverty, burdens people's lives. At the rehabilitation center, support for livelihood as well as rehabilitation is provided in order to facilitate the improvement of the livelihoods and independence of disabled persons. The center is distributing medicines free of charge, supporting the maintenance of houses, and providing training on the repair of bicycles, motorbikes, radios, and televisions, in order to help disabled persons lead independent lives. Among the disabled are those who are trying to become independent by learning to grow and sell vegetables or raise pigs and chickens, while others are acquiring the skills necessary to become weavers, tailors, or barbers.

The Cambodian government is experiencing a shortage in the funds and human resources needed to support disabled persons. Therefore, NGOs are expected to play a significant role, and their finely tailored activities are already supporting the livelihood and independence of disabled persons in Cambodia. Since 2000, JICA has been involved in a three-year program to support the activities of Handicap International Cambodia, which is one of these NGOs.

(JICA Cambodia Office)

as a whole, Japan is being asked to assist with administrative and financial reform, such as modernization of major laws and introduction of the market economy.

With cooperation from government ministries and departments, academic institutions and related organizations, JICA is responding to these demands by creating domestic support structures and providing multilateral aid that combines various methods. These include Dispatch of Technical Cooperation Experts, Acceptance of Technical Training Participants, Development Studies, and provision of equipment.

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

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

Cooperation with Other Aid Organizations

JICA is promoting efficient linkages among donors* as well as exchanging information and collaborating in a variety of fields with the many aid organizations currently active in Indochinese countries. In Viet Nam, in particular, we have formed partnerships consisting of groups of donors in more than 20 important fields. While respecting the independence of Vietnamese government ministries and departments as well as related institutions, we are providing aid that takes into account overall linkages and cooperation among related aid organizations in all fields. Japan is considering how to take the lead in partnerships in several fields, such as transportation, and JICA is taking part in this new development through the application of our Development Study and Dispatch of Technical Cooperation Experts systems.

In the countries of the Indochinese peninsula, many NGOs are continuing to provide cooperation as dynamic



Cooperation in cultivation of Japanese soba in an attempt to eliminate poppy growing, a major source of narcotics (Myanmar).

as that provided by government aid organizations. There are many organizations that already had a long record of aid achievement even before the main donors entered the field, and the activities of these organizations are highly regarded by the recipient countries.

JICA has begun working on a variety of projects in these countries in the fields of education, medical care, social welfare and culture. Use is made of projects conducted jointly with NGOs and academic institutions under the Community Empowerment Program* and the JICA Partnership Program*, which are schemes that have been developed in recent years.

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

Promotion of the Development of the Mekong River Basin

From a global perspective, the Viet Nam, Cambodia and Laos region holds the brightest prospects for rapid development. Regional cooperation that extends over national boundaries and is balanced throughout the area as a whole is currently moving ahead. Frameworks for region-wide cooperation include “Economic Cooperation with the Greater Mekong Subregion” (GMS Project), which was proposed by the Asian Development Bank (ADB) and started in 1992, and the “Indo-China Comprehensive Development Forum”, which was proposed by the Japanese government in 1993. In July 2001, Japan will

dispatch a government delegation to hold consultations with relevant countries on rationalization of the variety of frameworks and formation of new projects concerning development of the Mekong River Basin.

One specific project currently underway involves the development of the East-West Corridor. This is arousing much interest as a leading infrastructure project connected with development of the Mekong River Basin. The purpose of this project is to establish a transport artery stretching from Thailand through Viet Nam to the South China Sea. This route is likely to contribute to economic development throughout the region, including land-locked Laos. JICA is responsible for an important sector of this project, including detailed studies on the design of the Mekong International Bridge No. 2, linking the Thai and Laotian sides of the river and research on the provision of Grant Aid for repairs to National Highway

Route 9, which runs the length of Laos. Cooperation in the future will be concerned not merely with “hardware” aspects, such as the construction of roads and bridges: it will also involve cooperation on “software” aspects that are aimed at ensuring that the opening of the East-West Corridor is linked to economic development in the region.

JICA is supporting sustainable development* in the Mekong River area by sending experts to the Mekong River Commission, which is an international organization. We are also planning to implement a Development Study project entitled “The Study on the Hydro-Meteorological Monitoring for Water Quality Rules,” with the Commission as the implementing body. This study should contribute to determination of the conditions in the Mekong River Basin, formulation of water regulation plans and fostering of human resources.

Front Line

Project for the Asian Center for International Parasite Control

Thailand

Toward Control of Malaria and Other Parasitic Diseases

Project-type Technical Cooperation

◆ Children Infested with Parasites

In addition to the threat of malaria, it is not rare to see school-age children in developing countries of tropical regions infested by varieties of parasites that continuously hamper their mental and physical health. This is the case not only in Thailand, but also in those countries of the Mekong River Basin (i.e., Cambodia, Laos, Myanmar and Viet Nam). One reason for this is a lack of national policies against parasite diseases and a lack of human resources.

◆ Based on the “Hashimoto Initiative”

At the G8 summit meetings of Denver (1997) and Birmingham (1998), then Prime Minister Ryutaro Hashimoto pointed to the importance of measures against parasites in the improvement of health and hygiene, based on the post-war Japanese experience. He emphasized the necessity of international cooperation to change the above-mentioned situation in developing countries and proposed the establishment of centers for “human resources development” and “research activities” in Asia and Africa. He also proposed the creation of a center-led international network to promote human resources development and exchange of information, with a view to promoting the international fight against parasites.

Based on this “Hashimoto Initiative,” in March 2000, the Asian Center for International Parasite Control (ASIPAC) was established within the Faculty of Tropical Medicine of Mahidol University in Thailand, which started the project. It is conducted as a Project-type Technical Cooperation project between Japan and Thailand. At the same time, this unique project places primary importance on the promotion of Technical Cooperation with Thailand’s neighbors through use of the JICA budget for wide-area technical cooperation promotion and on the development of human resources through training for those concerned in neighboring countries.

Based on consideration of the parasitic infestation among school-age children that was described above, this project sets the strategy



Promoting cooperation based on school health care that utilizes Japan’s experience.

of “promoting countermeasures against malaria and intestinal parasites based on school health care” as well as plans to carry out international training for human development according to this strategy for a 12-week period beginning in mid-September 2001.

◆ Former Participants Continue to be Active at Regional Level

Efforts are being made to gain a consensus among the governments concerned that will enable those who finish the training to promote small-scale pilot projects against parasites, including those that involve hygiene education for pupils, and to promote human resources development that includes training on inspection techniques at the regional level.

For the time being, each country concerned is expected to receive financial support to implement small-scale projects through the budget for wide-area technical cooperation promotion, but as the scale of the projects increases in the future, other forms of cooperation for each country will be considered accordingly.

(JICA Thailand Office)

Furtherance of South-South Cooperation in Connection with Human Resources Development

In 1999, Cambodia became the tenth member of ASEAN, and an important issue now facing the organization is how to rectify the economic disparities that exist within it. Japan regards Thailand as a base for cooperation to countries of the Mekong River Basin and of ASEAN, and it is considering active development of third-country training* and regional projects directed at the region.

In 1994, Japan concluded a “Japan-Thailand Partnership Program*” (JTTP) agreement with the Thai

government that aims to expand third-country training and raise the cost share for cooperation to 50/50. Although the cost share target was not achieved due to the Asian economic crisis in 1997, the establishment of 15 third-country training courses, a target for fiscal 2000, was achieved. A new agreement for Phase II of JTTP is expected to be signed at the annual consultation for fiscal 2001.

Concerning region-wide projects, JICA is implementing the “Asian Center for International Parasite Control (ACIPAC)” project, and planning projects in such fields as “Empowering Persons with Disabilities,” “Narcotics Control,” “Higher Engineering Education,” and “Animal Disease Control.” Preparation for these projects is underway with Thailand as the base.