Chapter 4  Latin America

Central America and the Caribbean

Pillars of Aid  Poverty Reduction and Sustainable Economic Growth

- Cooperation results by country (FY 2003)

- Saint Lucia 115,807
- Barbados 146,084
- Trinidad and Tobago 207,435
- Jamaica 359,074
- Cuba 415,515

- Belize 86,705
- Saint Vincent and the Grenadines 85,014
- Antigua and Barbuda 83,695
- Dominica 65,573
- Haiti 63,589
- Saint Christopher and Nevis 19,186
- Grenada 16,915

JICA continuously contributes to human resources and national development to support self-help efforts on the part of the recipient countries in Central America and the Caribbean, taking into account the following prioritized issues. Moreover, promotion of regional cooperation, utilization of South-South cooperation*, and facilitation of aid coordination and collaboration are being considered.

1. Measures against poverty and reduction of regional disparities
   - Prevaling gaps between rich and poor and income disparities among areas persist and support for the impoverished group and regional development are crucial.

2. Industrial and regional development
   - With the tide of economic globalization, enhanced competitiveness (including export promotion, promotion of small and medium-scale enterprises, improved incomes of subsistence farmers and fishermen) is required.

3. Health, hygiene, and regional medical care
   - The quality of health and hygiene services needs to be upgraded and community-based medical care needs to be improved.

4. Education
   - Upgrading the quality of basic education is called for as a basis for human resources development and industrial development.

5. Measures for the environment and conservation of natural environment
   - The conservation of urban environments in light of the over-concentration of populations in cities is important. In Central America, there are crucial areas in terms of biological diversity*, and the conservation of those areas is a matter of international concern. Furthermore, the priority of environmental conservation of tourism resources is quite high in Central America and the Caribbean.

6. Disaster prevention
   - Central America and the Caribbean are economically and socially vulnerable to natural disasters (particularly hurricanes and earthquakes), and therefore the establishment of a disaster prevention system is vital.

7. Support for democratization and public security improvement
   - Post-conflict democratization and public security improvement remain an issue.
Current State of Development

Small Countries with Many Similarities

Central America and the Caribbean comprise 21 countries, eight in Central America and 13 in the Caribbean. It occupies an area of 2.96 million km², or 2.2% of the world’s surface, and is home to 173 million people, or 3% of the world’s population. The region has many small countries, of which eight have land areas of less than 10,000km² and nine have populations of less than one million people.

The economies of most countries are based on agriculture and are reliant on exports of primary products. Although tourism is thriving in some countries, manufacturing and other industries remain relatively underdeveloped in the region as a whole. Even though their economies have improved in recent years, helped by the long economic boom in the US, special attention is required due to accumulating debt and external uncertainties, such as the impact of the Iraq issue on international financial markets.

Regional Alliance for a Peaceful and Safe Society

Decades of civil war in Central America since the late 1970s destroyed these countries’ societies and economies. Neighboring countries felt repercussions in the form of influx of refugees and arms. Peace-making proceeded in the early 1990s and, following the signing of the Guatemalan peace accords in December 1996, all the countries of the region with the exception of Cuba now have democratically elected governments. However, the damage that was inflicted on the social and economic infrastructure of these countries is still being felt today: many countries have inadequate water supply facilities and are yet to attain adequate health and medical care and basic education. Assistance from developed countries is essential to solve these problems.

In addition, as represented by the powerful hurricane, Mitch, in fall 1998, and devastating earthquakes in El Salvador in January and February 2001, this region is highly prone to natural disasters, and cooperation for disaster prevention and reconstruction is also needed to overcome the threats posed by such disasters.

Addressing Priority Issues in JICA Programs

A New Step in Support for South-South Cooperation

—Mexico

Mexico, the country with the largest land area and population in Central America, is one of the Central American countries with close ties to Japan, as represented by the basic agreement on the Economic Partnership Agreement in March 2004. Whilst undertaking to raise its position in international society, Mexico still faces various issues such as underdevelopment of its southern region, regional disparities, industrial and regional development in response to the globalization, and environmental conservation. JICA accepts these issues as priorities and provides cooperation. In 2003, projects and development studies with the aim of environmental conservation in the Yucatan Peninsula in the south and a project to support small-scale producers in Chiapas State commenced.

JICA also provides assistance for cooperation projects in Central America and the Caribbean, which are implemented by the self-confessed leader of the region, Mexico. Projects have been formulated in the support program for enhancing South-South cooperation with the aim of enhancing the aid implementation system of Mexico since July 2000. Two of those projects, an earthquake-resistant housing project in El Salvador and an agricultural pest control management project in Nicaragua, commenced in 2003 as collaborative cooperation projects between Japan and Mexico. In October 2003, the Japan-Mexico Partnership Program (JMPP) was signed and more collaborative projects are expected to commence in the coming years.

From Reconstruction to the Promotion of Economic Development

—El Salvador

Peacebuilding and economic reconstruction have been relatively smooth in El Salvador since the signing of a peace accord in 1992. In August 2001, JICA dispatched the Project Confirmation Study Team to El Salvador, which was under reconstruction following the disastrous damage caused by the...
hurricane of 1998 and the great earthquake of 2001, and determined that the priority areas are the reactivation of the production sector, social development, the environment, and support for democratization. Cooperation has been promoted accordingly.

In the eastern region, where development lags, the promotion of development emphasizing La Union port is anticipated. In response, JICA conducted the El Salvador Economic Development Study, which includes the development of the eastern region. JICA plans to support poverty reduction and activation of the regional economy through the promotion of implementation of projects proposed by the study.

Support Reconstruction of the Poorest Country in Central America—Nicaragua

Nicaragua has the lowest per capita income in Central America, with many people living under the poverty line. The Poverty Reduction Strategy Paper (PRSP)* was formulated in 2001 and conditions for debt reduction were approved by the International Monetary Fund (IMF) and the World Bank in January 2004.

The priority areas of Japan’s aid include agricultural and rural development, health and medical care, education, roads and transportation infrastructure, support for democratization, and disaster prevention. JICA formulates projects accordingly. In order to support development contributing to poverty reduction, cooperation in strengthening competitiveness mainly in agriculture and livestock farming, as well as alleviation of natural disasters and social vulnerability especially with respect to the impoverished group, are called for. In 2002, JICA launched the Reduction of Vulnerability against Natural Disaster and Community-based Rural Development Project in Villanueva City, particularly targeting impoverished areas. This project aims to develop the disaster prevention capability of the community.

In Search of Cooperation Contributing to National Reconciliation—Guatemala

In Guatemala, since the signing of the peace accords between the Guatemalan government and left-wing guerrillas in December 1996, efforts have been made for the recovery and development of democratic governance. There are many problems to address, including improvements in the harsh living environment in the mountainous areas, security, and the promotion of ethnic reconciliation.

JICA, in response to policy dialogues between the ODA Task Forces and the government of Guatemala, plans to develop cooperation focusing on three areas, namely, improvement of rural living, sustainable economic development, and the consolidation of democracy. In the area of improvement of rural living, cooperation projects in the areas of health care, education, and agriculture are being planned based on the perspective that a comprehensive approach is necessary, with the focus on indigenous people. For the consolidation of democracy, a project formulation study* team is scheduled for dispatch to determine future policies in fiscal 2004. In Guatemala, ensuring citizens’ security and promoting rights of indigenous people and protection of human rights are important issues.

For Effective Cooperation—Honduras

After Haiti and Nicaragua, Honduras is one of the least developed countries. Now that reconstruction assistance following the hurricane devastation is winding down, the focus of the donors* coordination has shifted to social development. The current major task is the implementation of specific measures based on the PRSP, which was formulated at the initiative of Honduras in 2001.

The prioritized fields in Japan’s aid include infrastructure improvement, improvement of basic living conditions, promotion of key industries such as agriculture and fishery, and human resources development. Primary education, health care, and development of impoverished areas in particular precede them. JICA co-hosted a seminar on the Millennium Development Goals (MDGs)* with United Nations Development Programme (UNDP) in the western region, where many municipalities are impoverished. Based on the results of the seminar, JICA has formulated a project aimed at comprehensive development in accordance with the needs of local residents.

In 2002, JICA launched the Project for the Improvement of Teaching Methods in Mathematics, which developed from past efforts in the field of primary education. JICA dispatches region-wide project formulation advisors* to disseminate and advance the outcomes of the project throughout Central America.

Unique Efforts Leading the Region—Costa Rica

Costa Rica has achieved high educational standards and well-organized social security systems. It is a stable democratic country in Central America, a region where politics have been generally unstable.

JICA provides cooperation in Costa Rica with the priority on environmental conservation and industrial development. In the Project on Sustainable Fisheries Management for the Gulf of Nicoya, planning and technical guidance have been offered for the management of the environment and marine resources of the north Gulf of Nicoya. The Technical Instructor and Personnel Training Center for Industrial Development of Central America (CEPOF) contributes to industrial development not only in Costa Rica, but also in neighboring countries through third-country training*. In addition, through the Japan Overseas Cooperation Volunteers (JOCV) Program, JICA has extended assistance in holding seminars at the national level and field follow-ups in the area of rehabilitation. Collaboration with JOCVs and relevant organizations in neighboring countries is expected in the future.

Wide-ranging Development in a Country Centered on the Canal—Panama

Panama, which relies heavily on service industries related to the canal, has promoted free trade agreements, including the
Free Trade Area of the Americas (FTAA), ever since the hand-over of the Panama Canal in 1999. At the same time, it has tackled domestic issues such as environmental conservation and poverty. The reduction of disparities between rich and poor and among areas, sustainable development *of economy, environmental conservation, and support for the canal and the surrounding areas are priority fields for JICA’s cooperation.

In fiscal 2003, two technical cooperation projects commenced: the Sustainable Agricultural Training and Extension Project in Rural Areas and the Water Quality Monitoring Technique Project. At the Coordination Center for the Prevention of Natural Disasters in Central America (CEPRE-DENAC) which was established in Panama as a regional base, a Japanese expert is working on region-wide cooperation to enhance the disaster prevention system, while coordinating with disaster prevention organizations in other countries.

Poverty Reduction and Promotion of Economy Development—Dominican Republic

JICA has provided cooperation in priority areas, such as infrastructure development, health and medical care, agricultural development, livestock and fishery, education, and the environment. Despite a high rate of economic growth that has lasted for nearly 10 years, the gaps between rich and poor and disparities among areas have not been eliminated. Therefore, JICA places the utmost emphasis on poverty reduction. Furthermore, requests have been made to support sustainable development of the economy, such as the expansion of trade and investment and urban environment conservation.

Two projects commenced in 2003: Enhancement of the Regional Health Care Services, which aims to improve the rate of vaccination for maternal and child health in the impoverished province of Samana, and the Environmental Agriculture Project (production of organic vegetables), which aims to improve the income of subsistence farmers in the central part of La Vega province. In order to support the redevelopment and colonization program of the former national sugarcane fields, which has been promoted by the government of the Dominican Republic, the Project for Groundwater Development in the Former Plantation Areas (development study) has been implemented and a master plan for the redevelopment has been submitted.

El Salvador

Waste Treatment Program in Central America

Key Persons in New Project

Former Training Participants

Workshop on waste issues

El Salvador is a small country, with an area 1.2 times as large as Shikoku and a population exceeding 6.5 million. The disposal of waste is a serious problem in this country. One thousand eight hundred tons of waste, which accounts for 66% of all waste, is disposed improperly every day at 143 illegal dumping sites throughout the country. However, local governments, which are responsible for the waste treatment, have neither the necessary budget nor the personnel, and are incapable of dealing with the problem.

In November 2003, in order to contribute to a solution to the waste problem, a group of 16 former El Salvadorian training participants, who had attended JICA training, held a workshop inviting 281 officers of local governments, including 40 governors. Utilizing skills acquired in Japan and Mexico, they constructed a two-day workshop comprising lectures and practical training in accordance with the situations in the field. A three-month preparation period started in the form of voluntary services on their after-work hours and holidays. Thank to their efforts, the workshop was well received by the participants, who raised keen questions and requested a continuation of the activity. Also, the former training participants themselves seemed to re-acknowledge the seriousness of the local waste problems. Another positive outcome was that the former training participants, who had a rare occasion to get together after coming home, were able to renew their relationships, share information in their own fields, and upgrade their skills. Currently, it has been approved for them to prepare for the workshop during working hours.

A technical network group that transcends professional affiliations

After the workshop, the former participants submitted a proposal to JICA about a specific pilot project. This lead to the formation of a technical cooperation project called the Solid Waste Management Cooperation Program for Small Municipalities, which is scheduled to start in August 2004. They participated in the project right from the beginning of the planning stage and will assume an important role as technical instructors in this five-year project. Recently, this group has drawn the attention of other donors as a network group that transcends professional affiliations.

Preparation for the Solid Waste Management Cooperation Program for Small Municipalities in Central America is also under way in which region-wide cooperation will be carried out to address the waste problem, a common issue in Central America, while sharing information and results. Taking the case of El Salvador as a model, it is expected that former training participants will get together to play a central role in planning projects for the participating countries.

(JICA/JOCV El Salvador Office)
Region-wide Cooperation Activities—The Caribbean

The countries of the Caribbean are mostly small in size and population, and many have gained independence in recent years. Because of their relatively high per capita income and small economies, Japan does not have a strong record of cooperation in these countries. It is effective to provide assistance for the common development issues on the regional basis, using regional organizations such as the Caribbean Community and Common Market (CARICOM). JICA addresses issues based on discussions at the Japan-CARI- COM Consultation, where negotiations on foreign affairs at the working-level take place annually. Among such issues, measures against floods caused by the torrential rain of a hurricane are called for. With the aim of expanding cooperation to the Caribbean Disaster Emergency Response Agency (CDERA) in Barbados, JICA has implemented a technical cooperation project called the Caribbean Disaster Management Project in order to disseminate technical know-how for hazard mapping in 16 CDERA countries for three years starting in August 2002. In the area of fishery, JICA conducts a project formulation study on the Caribbean Regional Fisheries Mechanism (CRFM), a subsidiary agency of CARICOM. This study examines the feasibility of cooperation on marine resource management focusing on the income improvement of subsistence fishermen, which will cover a wide area of CARICOM members.

The relations between Japan and Jamaica, the largest English speaking Caribbean country, have become closer over the years. Dispatch of volunteers and technical cooperation projects are at the heart of cooperation in the Caribbean. In order to spread the results of the Project for Strengthening Health Care in the Southern Region throughout the CARICOM countries, which terminated in May 2003 after its fifth year, JICA and the Ministry of Health of Jamaica launched a five-year third-country group training called the Project for the Prevention of Chronic Non-communicable Diseases in January 2004. The training of 2004 was attended by 16 doctors from four countries, including Trinidad and Tobago. In cooperation with the Caribbean Regional Office of United Nations Educational, Scientific and Cultural Organization (UNESCO), JICA dispatches JOCVs to promote education on HIV/AIDS prevention for youth.

Panama
Support for Indigenous People through Traditional Artifacts

Autonomous Management of Production and Sales of Chacara

Japan Overseas Cooperation Volunteers

Correcting income disparities

In Panama, income disparity is the second largest in Central and South America. In cooperation with a local NGO, Project Ngobe-Bugle, Japan Overseas Cooperation Volunteers (JOCVs) have been working in the indigenous people’s autonomous area since 1998. To improve the lives of indigenous people, 95% of whom live below the poverty line, various types of cooperation are provided, including agricultural cooperation, improvement of maternal and child health to prevent young pregnancies and fertility problems, and support for women’s groups with a view toward economic independence and the social participation of women.

The ultimate goal of these activities is to support economic independence for indigenous people. In Panama, where 75% of the GDP relies on the tertiary industry, it is not easy for indigenous people to secure cash income from primary commodities on their own. Because the residential areas of indigenous people are located in remote mountains or along rivers nearly 10 hours from the capital of Panama City, there are geographical disadvantages.

Traditional artifacts and cash income

There are unique woven bags called chacara which are used to carry virtually anything from bananas and logs to babies, and they are also produced as artifacts. Production takes a long time, starting from the collection of leaves called pita, to the extraction of fibers, bleaching, drying, dyeing, spinning thread and weaving by hand. This process is all done by hand by local women.

Chacara bags are popular among the Japanese in Panama; products made by women have been transported and sold with the help of the JOCVs. The quality has improved to artifact level and they are now available in different sizes, colors, and designs. On the other hand, local women have realized that the bags are transported by the JOCVs and sold mainly to Japanese at the price they name as long as they produce them, and the activity has become dependent on the support, whereas in a normal business situation one must respond to the severe market demand in terms of price, quality, and delivery date. Therefore, they are not able to run their own business since they are dependent on JOCVs. They have held many meetings and invited mainly group leaders to patiently explain the sales, etc., so that they are able to run their business on their own in the near future. Two priority tasks that have been tackled by JOCVs are maintaining skills in traditional artifacts and securing cash income by developing markets and finding a way to connect the production site to the market, while fostering the independence of the women.

(JICA Panama Office)