



Special
Feature

Bolivia: Children at the experimental farm of the Yapacani City Agricultural Promotion Center (Photo by Fernando Javier Cuellar Otero)

Japan and the World —Searching for Solutions to Common Issues

Requirements for Japan to Grow and Develop Along with the Rest of the World

While the advance of globalization has led to greater economic activity around the world, it has also raised issues that cannot be handled by individual countries or regions alone. Examples include widening of the income gap and the instantaneous overflow of local economic and financial crises onto the global stage. In 2011, the Great East Japan Earthquake disaster and the flooding in Thailand had a tremendous impact on global manufacturing sectors dependent on Japanese corporations—natural disasters and environmental problems are global issues.

Finding solutions to these issues requires breaking out of the previous framework that had developed countries playing the central role to cooperate with emerging and developing countries. As a member of the international community, finding solutions to these global issues is important to Japan. Leveraging its record in this field and deepening its collaboration with countries around the world, Japan will utilize its knowledge and technology to grow and develop along with the rest of the world.

1. ODA's Strategy for the Globalization Age

Impact of Globalization on Achieving MDGs

Through the UN's Millennium Declaration, the international community defined a set of Millennium Development Goals (MDGs) in 2000. With a target achievement date of 2015, the MDGs are eight specific goals that aim to eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria, and other diseases; ensure environmental sustainability; and develop a global partnership for development.

More than ten years have passed, and results of the cooperative efforts of the international community are emerging. The World Bank reports that approximately two thirds of developing countries are within reach of meeting the MDGs. Among the countries on track, many are emerging countries from Asia and other regions. They are countries that

not only have high economic growth rates, but high performing policies and systems.

In contrast, the countries that have fallen behind in MDGs programs are countries with low economic growth and fragile government policies and systems. Moreover, they are often dealing with serious conflicts within their borders or with other countries. Regionally, Africa is relatively behind in the drive to achieve the MDGs.

One of the forces that has had a positive impact on such efforts to achieve the MDGs is the progress of globalization. It



In the Palestinian Authority, JICA is providing assistance with improving maternal and child health. It is distributing maternal and child health notebooks to Palestine refugees at Aqabat Jaber refugees camp. (Photo by Kenshiro Imamura)

Case Study

Pakistan Polio Eradication Project

After Elimination of Smallpox, Partnership with Gates Foundation on Poliomyelitis

In August 2011, JICA signed an approximately ¥5.0 billion ODA loan agreement with Pakistan, a country where polio continues to be transmitted among the population. The loan is being used to fund polio campaigns to eliminate polio virus in that country by vaccinating children under the age of five. This new form of assistance is epoch-making because the Bill & Melinda Gates Foundation (the Gates Foundation) will repay the loan on the Pakistani government's behalf if the campaign is successfully implemented.

There were four countries in the world where polio continues to be transmitted—Afghanistan, Nigeria, India, and Pakistan. However, as of January 2012, India has reported no new reported case of polio for a year. India is no longer on the list. Following the world successful eradication of smallpox declared in 1980, the global effort to eradicate polio is reaching its final stage. However, recent floods and the migration of the population in Pakistan have resulted in large increase of reported cases. The Pakistani government announced the National Emergency Action Plan 2011 for Polio Eradication to kick off a nationwide effort to eliminate polio virus.

Since the 1990s, Japan has cooperated with United Nations Children's Fund (UNICEF) through its Grant Aid projects for procuring polio vaccine. This time, JICA has scaled up its assistance with ODA loans to implement polio campaigns to support measures being taken by the Pakistani government to eradicate polio.

The project has three special features. The first is the collaboration with an emerging private donor, the Gates Foundation. In August 2011, JICA signed a strategic partnership with the Gates

Foundation to address major global issues over a five-year period, with the first project being this collaboration for polio eradication in Pakistan. JICA is utilizing its strong relationship with the recipient country in providing aid and its valuable on-the-ground experience to play a catalyzing role in the relationship between Pakistan and the Gates Foundation. The second is that the project

adopts an innovative financing approach that the Gates Foundation will repay the loan on the Pakistani government's behalf if the campaign is successfully implemented. The approach provides an incentive for the Pakistani government to implement the campaign while avoiding a financial burden for the activities—making it possible to move ahead with an effective polio campaign. The third is that the project is being implemented with the cooperation of multiple development partners, such as the World Bank for co-financing as well as UNICEF for vaccine procurement and the World Health Organization (WHO) for service delivery of the polio campaign.



Oral vaccination of children in Pakistan

has made it easy to move people, goods, funds, information and other resources around the world, bringing many benefits, such as more efficient economies and lifestyles. Conversely, globalization has bred intense international competition, raising concerns of a widening income gap in countries with weak social and economic infrastructure. Soaring global prices have exerted great pressure on the fiscal finances and economies of countries lacking in natural resources, energy or food supplies. Even emerging countries frequently experience economic slumps because of global economic trends. Among recent examples, there was the jump in oil prices in 2004, soaring grain prices in 2007, the worldwide economic recession in 2008, and the most recent economic crisis in Europe. It seems the world is continually fighting off major crises.

Furthermore, countries are dealing with issues that mutually affect various countries. These issues include global risk factors, such as climate change, food supply, and major disasters as well as cross-border issues, such as infectious diseases and international crime.

Toward Inclusive Development through World Cooperation

These worldwide issues can cast a dark shadow on people's lives. This effect is particularly noticeable in those classes of the population that are socially and economically vulnerable, resulting in a widening of the income gap further. The political revolution that occurred in the Arab world in 2011—the so-called Arab Spring—is said to have been spiked by the international rise in food prices that fueled people's growing anxiety over living conditions. Included in this background were high unemployment among the young and the well-educated and repressive political systems. People's dissatisfaction with their political systems suddenly surfaced because of an expanding income gap driven by globalization and rapid economic growth.

The turmoil in the Middle East not only effects world peace and security, it also poses a major problem for Japan, which depends on the Middle East for approximately 80% of its

imported oil. In addition, the same type of issues are developing within countries in Africa, Asia, South America, and other regions, accelerating political and economic crises.

To avoid and overcome these crises, it is essential that the countries of the world cooperate in controlling the negative aspects of globalization while aiming to maintain sustainable growth. The world must assist underdeveloped and emerging countries to provide solutions to their political, economic and social problems and to prevent and correct the income gap. At this point in time, the world needs to achieve inclusive development where all the people of a country benefit from growth.

Japan's ODA Strategy— Assistance That Is “Win-Win”

With its ties to many countries around the world, globalization is truly a blessing for Japan.

Japan depends on other countries for approximately 96% of its natural resources and energy and about 60% of its food. Japanese companies not only export industrial products, but also have made extensive direct overseas investments to increase their proportions of overseas production. Moreover, Japanese companies have proceeded aggressively with international division of labor in their operation, such as procuring parts abroad rather than domestically. Through this process, Japanese companies' economic ties with other countries around the world are becoming increasingly stronger. Quite simply, global political, social, and economic stability is essential for Japan because global economic trends directly affect its economy, which is so closely interlinked with other countries.

With these circumstances in mind, Japan has focused its ODA strategy on building win-win relationships with development partners. It does so through cooperation that takes advantage of Japan's technology capabilities and knowledge.

For example, the global demand-supply balance for natural resources and energy is under pressure from the high economic growth of emerging countries. Maintaining the stability of that balance is an extremely important issue to ensure Japan's security and growth. At the same time, the export of natural resources is an important source of foreign currency for developing countries with natural resources. However, developing those resources requires investment in mining and oil and gas field development in conjunction with supplying electric power and building infrastructure, such as roads, railway, and harbors.

Here in lies an extremely significance aspect of Japan's development cooperation. JICA has continued to provide assistance that contributes to stable supplies of natural resources for Japan. In the past, JICA has provided ODA loans for the building of roads, railways, harbors, and electric power facilities required for the development of iron ore mining operations in Brazil. It has also cooperated in planning the construction of a geothermal electric power facility for mining



Egyptians gathering in Cairo's Tahrir Square (Liberation Square), the stronghold of the democratic movement



Port of Colombo North Pier Development Project (1) in Sri Lanka

Nacala harbor, a necessary port for the Nacala Corridor that links the east coast of Africa with the inland. JICA has also worked with countries in the Mekong river basin of Indochina, a promising investment area for Japanese companies, to provide “win-win” assistance. Its projects in this region have included building social infrastructure, promoting regional and economic development, and the nurturing of human resources, such as technicians and skilled workers.

2. International Assistance Trends and Japan

Partnerships for Developing and Growing Along with the Rest of the World

With globalization spreading throughout the world, it has become difficult for Japan to grow on its own. In today’s world, the world must grow in order for Japan to grow.

development in Bolivia. It has pursued assistance that enables the effective development of natural resources by developing countries, such as aid for building facilities for Mozambique’s

Case Study

Malawi Project for Establishment of Integrated Geographic Information System (GIS) Database for Mineral Resources

Providing Assistance with Geological and Mineral Resource Information and Capabilities Development through Public-Private Partnership

Malawi has abundant mineral resources, including rare earth and other precious minerals. However, the government is lacking in basic geological and mineral resource information and has limited human resources with analytical skills. Therefore, the Malawi government appealed to Japan for assistance.

As of March 2012, JICA commenced assistance with developing geological and mineral resource information and enhancing the capabilities of the relevant government organization.

The plentiful mineral resource potential of Malawi has drawn international interest. In recognition, the government of Malawi has considered the promotion of the mining sector as a top priority for achieving sustainable economic growth.

However, mining development requires a broad range of technology. Mining utilizes various technologies for mineral deposit exploration, for extraction and processing, for refining, and for recycling. It also involves environmental protection technologies for mining pollution prevention and other issues.

In particular, it is essential to have a sufficient geological information system (GIS) at the initial stage of mine development—mineral deposit exploration. Unfortunately, the Geological Survey Department (GSD) of the Malawi Ministry of Natural Resources, Energy and Environment does not have any electronic data on geological formations with the exception of some digitized old geological maps from the British colony era. Moreover, there is a lack of adequate staff and skills to update and maintain the information.

To fill this gap, in 2012, JICA started

providing assistance with the collection, processing, and analysis of geological data using remote sensing; establishment of a GIS, and enhancing the capabilities of GSD. Through information exchanges between the Japan Oil, Gas and Metals National Corporation, JOGMEC’s Botswana Remote Sensing Center and other stations, the team built an information base with the goal of sparking greater promotion of investment in the development of the mineral resources of Malawi.

JICA’s future approach to natural resource development will require keeping in mind the possibility of public and private sector collaboration. It will endeavor to put together comprehensive packages of development assistance that will contribute to the development of the mining business in the partner country and ensure a stable supply of natural resources for Japan.



Scene from the first day of a local training seminar on remote sensing theory and other topics



Initiating spectral measurement of rock mid-way through the local training seminar at the request of counterparts that have become accustomed to the technology