Southeast Asia is attracting attention as the growth center in the global economy with its high economic growth rate and population of 580 million. This region is also becoming increasingly important for Japan. The Association of Southeast Asian Nations (ASEAN) is moving forward with economic, socio-cultural, and political-security integration with the goal of establishing the ASEAN Community by 2015. Myanmar as well continues to work on opening its markets amid rapid progress with democratization. Timor-Leste is aiming at early accession to the ASEAN.

In 2011, floods in Thailand and the vicinity showed the vulnerability of the region to natural disasters. Floods also demonstrated the close economic relationship between Southeast Asia and Japan through various supply chains. As there still remain several issues in Southeast Asia, such as the development gap among countries in this region, urbanization, environmental issues, and conflicts, JICA continues to support this region to achieve stable development.

### JICA Programs in Southeast Asia (Fiscal 2011)

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (Unit: millions of yen)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeast Asia Total</td>
<td>286,285</td>
<td></td>
</tr>
<tr>
<td>Laos</td>
<td>5,998 (2.1%)</td>
<td></td>
</tr>
<tr>
<td>Viet Nam</td>
<td>121,811 (42.5%)</td>
<td></td>
</tr>
<tr>
<td>Philippines</td>
<td>31,675 (11.1%)</td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>15,220 (5.3%)</td>
<td></td>
</tr>
<tr>
<td>Brunei Darussalam</td>
<td>0 (0.0%)</td>
<td></td>
</tr>
<tr>
<td>Thailand</td>
<td>22,012 (7.7%)</td>
<td></td>
</tr>
<tr>
<td>Cambodia</td>
<td>10,572 (3.7%)</td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>32 (0.0%)</td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>75,608 (26.4%)</td>
<td></td>
</tr>
<tr>
<td>Timor-Leste</td>
<td>724 (0.3%)</td>
<td></td>
</tr>
</tbody>
</table>

The figure shows the total value of JICA programs in each country including Technical Cooperation (Training Participants, Experts, Study Teams, Provision of Equipment, JOCV and Other Volunteers, and Other costs), ODA Loans (Disbursements) and Grant Aid (Newly concluded G/A Agreements). Note: Figures in parentheses denote the percentage share of overall JICA programs in the region. Note: Figures exclude JICA’s cooperation for multiple countries and international organizations.

Disparity within a country is also a destabilizing factor for society. JICA is promoting inclusive development through the development of transportation and logistics facilities, the development of regional hubs, the establishment of institutional frameworks for regional development, responses to disasters, and other initiatives. This includes narrowing the development gap between the ASEAN’s original members—Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei—and its newer members, namely Cambodia, Laos, Myanmar and Viet Nam. In the newer ASEAN members, JICA provides assistance for basic education and health care to strengthen the foundations of socioeconomic development, as well as for soft and hard infrastructure development and industry-related human resources development that are in line with each country’s stage of development.

Promotion of Regional Economic Growth and the New Growth Strategy

While JICA extends assistance that matches each country’s development stage, JICA also strengthens its alignment with the New Growth Strategy of the Government of Japan. This entails the provision of assistance for infrastructure development, improvement of the investment climate and development of supporting industries. By strengthening partnerships with the private sector, such as the promotion of private finance and collaboration with corporate activities, JICA supports the activities of Japanese companies that contribute to the development of Southeast Asian countries.

Promotion of Inclusive Development

JICA promotes inclusive development in order to eliminate disparities. This includes narrowing the development gap between the ASEAN’s original members—Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei—and its newer members, namely Cambodia, Laos, Myanmar and Viet Nam. In the newer ASEAN members, JICA provides assistance for basic education and health care to strengthen the foundations of socioeconomic development, as well as for soft and hard infrastructure development and industry-related human resources development that are in line with each country’s stage of development.
strengthening of disaster management frameworks, the establishment of safety nets, and other measures.

**Promotion of a Regional Approach**

The ASEAN launched the Master Plan on ASEAN Connectivity for strengthening physical, institutional and people-to-people connectivity and realizing the ASEAN Community by 2015. The Government of Japan established the Japan Task Force to Support ASEAN Connectivity, which includes both the public and private sectors, and announced the visions of the “Vital Artery for East-West and Southern Economic Corridor” and “Maritime ASEAN Economic Corridor” to support the master plan.

As a member of the task force, JICA is extending assistance to the prioritized projects in the master plan and other programs. In addition, to support the Initiative for ASEAN Integration (IAI) for narrowing development gap among ASEAN member states, JICA is providing support through South-South cooperation, in which original ASEAN member states cooperate with newer ASEAN members. JICA’s activities also include support to improve education and research capabilities of key universities in order to develop human resources in engineering field, as well as to deal with such common regional issues as disaster management and climate change.

**Priority Issues and Efforts**

**Assistance for ASEAN's Original Member States**

To sustain growth, tackling urban issues and eliminating disparities within a country are urgent issues for original ASEAN members.

For urban issues, JICA formulates and develops urban master plans and establishes urban planning systems. Transferring Japan’s technologies in the fields of public transportation system, energy and water supply systems, waste treatment system and others and assisting infrastructure development, JICA promotes efficient and environmentally co-existing cities.

With respect to “soft” infrastructures (institutions), JICA is helping with industry-related human resources development, strengthening the protection of intellectual property rights and using other measures in order to overcome the “middle income trap” and make various industries more technologically advanced.

The frequent occurrence of natural disasters in the ASEAN region is an impediment to sustainable economic growth. Once a natural disaster occurs, JICA provides not only humanitarian assistance but also reconstruction and development assistance and other support for medium to long-term disaster prevention, such as the establishment of early warning systems. To address climate change, JICA has many activities that include forest fire prevention, development of geothermal and other renewable energy sources, the construction of urban high-speed rail systems to alleviate traffic congestion and reduce motor vehicle emissions, and adaptive measures for regions that are particularly vulnerable to the effects of climate change.

Other support to original ASEAN members includes assistance for preparing the social security system to deal with issues associated with aging in Thailand and other countries and support for the consolidation of peace in the Mindanao

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**Case Study | Malaysia**

**The Malaysia-Japan International Institute of Technology**

**A Higher Education Institution Opens after 10 Years of Preparations**

The Malaysia-Japan International Institute of Technology (MJIIT) began operations in September 2011 in Kuala Lumpur, the capital of Malaysia. The idea for MJIIT was originated in 2001 by former Prime Minister Mahathir bin Mohamad, who promoted the Look East Policy. Since then, the governments of Japan and Malaysia conducted discussions and studies for 10 years to establish this institution.

With undergraduate and graduate schools, MJIIT is dedicated to fostering the development of highly trained individuals with adaptability and R&D skills. The institute uses the “Kohza system” that is centered on research activities, which is a defining characteristic of engineering education in Japan. There are four departments at the institute: Electronic Systems Engineering, Mechanical Precision Engineering, Environmental and Green Technology, and Management of Technology.

For the establishment of MJIIT, JICA operates the Development Project for Malaysia-Japan International Institute of Technology, an ODA Loan program, to assist in the procurement of research equipment, and in the development of curriculums. Support also included Technical Cooperation, such as the dispatch of a JICA expert to serve as a deputy dean of MJIIT. Furthermore, a consortium formed by 24 Japanese universities (as of April 2012) has nominated Japanese professors for assignments at MJIIT and has cooperated with the institute in many other ways.

The Government of Malaysia has developed country by 2020. One strategy to achieve this goal is to place emphasis on upgrading and expanding higher education. As an international base for engineering education, MJIIT is expected to help make Malaysia and the ASEAN region more globally competitive as well as to contribute to economic and social development through human resources development.

![Students at MJIIT attend a class led by a professor from Japan](image)
region of the Philippines.

* A situation where a country with a newly industrialized economy that has overcome poverty and reached the middle-income level cannot proceed to advance to the level of developed countries due to economic stagnation and the loss of international competitiveness caused by rising wages and other factors.

**Cross-Border Development of the Mekong Region**

The Mekong River Basin in the Indochinese Peninsula is called the Mekong region. In this region, Cambodia, Laos, Myanmar and Viet Nam have fallen behind in economic development, and are struggling with high poverty rates. Despite these problems, the region is attractive for investments because of its strong economic growth and political stability. With prospects for significant growth in the future, this region is expected to have a stronger relationship with Japan.

JICA is implementing a broad range of projects to narrow the development gap within the region and to develop the region further. These projects are based on the Tokyo Strategy 2012 for Mekong- Japan Cooperation, which was announced at the April 2012 Mekong-Japan Summit Meeting as well as the Vision of the Vital Artery for East-West and Southern Economic Corridor, which is part of Japan’s support for ASEAN connectivity, and other initiatives.

**Country Overviews and Priority Issues**

**Indonesia**

Indonesia’s real GDP growth rate was 6.5% in 2011, the country’s highest rate of growth since the 1997 Asian currency crisis. With a population of 240 million, Indonesia is expected to see more growth in private-sector consumption and investments. This will reinforce the Indonesia’s position as a major source of economic growth in the ASEAN region.

There is a severe infrastructure shortage in Indonesia, particularly in the capital of Jakarta. In 2011, based on an agreement between the governments of Indonesia and Japan, Master Plan Study for Metropolitan Priority Area (MPA) was started to promote investments in the JABODETABEK (Jakarta metropolitan) area. The study also incorporates knowledge on infrastructure investment and needs of private-sector. The aim is to formulate and share plans for the infrastructure projects needed to achieve the 2020 vision for JABODETABEK. This cooperation is intended to improve the investment climate with respect to both hard and soft infrastructure.

The Public-Private Partnership (PPP) approach is attracting attention to efficiently provide quality public services by encouraging private-sector companies to participate in infrastructure projects. JICA provides comprehensive support for promoting PPP approaches. One way is by providing support to the concerned government ministries and agencies for establishing the relevant policies and regulations. In addition, through formulating model programs, JICA provides cooperation aimed at developing the capacities of government institutions.

When completed, the Jakarta Mass Rapid Transit System, the first subway in Indonesia consisting of elevated and underground sections, is expected to help alleviate traffic congestion.

**Philippines**

Economic growth in the Philippines was 7.0% in 2010 and 3.7% in 2011. But the country’s economic growth rate over the past 50 years is lower than in Indonesia, Thailand and Malaysia. Moreover, progress with poverty reduction is slow and income disparities are substantial. The Philippines must also deal with an annual average population growth rate of approximately 2.0% and its vulnerability to natural disasters.

To become a middle income country, the Government of the Philippines is promoting infrastructure development through utilization of private-sector resources and improving the investment climate. JICA’s cooperation to the Philippines focuses on the following priority issues: 1) sustainable economic growth by promoting investments; 2) overcoming the country’s vulnerabilities; and 3) establishing peace in Mindanao.

Under the above priority issues, JICA provides assistance for: infrastructure development through Public-Private Partnership; policy and institutional improvement aimed at improving the investment climate; disaster risk reduction and management; and in conflict affected areas, human resources development and other support. In particular, for infrastructure development using Public-Private Partnership, JICA is providing Technical Cooperation for improving institutions in order to strengthen the capabilities of concerned government agencies. One example of JICA’s comprehensive support is the Central Luzon Link Expressway Project, which is a public-build and private-operate undertaking. An ODA Loan agreement for this project was signed in March 2012.

Arterial highways will carry commuters and cargo between Manila and neighboring areas.

**Thailand**

The Government of Thailand is implementing the 11th National Economic and Social Development Plan, which is based on the national vision of creating a happy society with equality, fairness and resilience. Under the plan, Thailand is working on sustainable and comprehensive economic and social development. With a GNI per capita of US$4,210 (2010), Thailand has joined the ranks of upper-middle income countries. However, there are still many issues: making industries more competitive; measures for an aging society; environmental problems and climate change; and strengthening connectivity with neighboring countries.

JICA is extending its cooperation to Thailand in three priority areas: 1) Enhancement of Competitiveness for Sustainable Growth; 2) Responses to Issues that emerge with Maturing of Society; and 3) Joint Assistance to a Third Country.

During the severe flooding of 2011, JICA activities were not limited to emergency aid. JICA also provided comprehensive support that included medium and long-term assistance. Activities include a review of the master plan for flood
countermeasures; the use of Grant Aid to raise the elevation of national industrial road and construct floodgates; and cooperation for the reconstruction and revitalization of the private sector [See the Case Study on pages 15 and 139].

**Cambodia**

In Cambodia, nominal GDP in 2010 was US$11.6 billion, about twice as high as five years ago. However, Cambodia continues to rank low among the ASEAN countries regarding its per capita GNI, infant mortality rate and other development indexes.

In anticipation of ASEAN integration, in order for Cambodia to achieve further economic development and overcome poverty, the country must develop its economic and social infrastructure and continue to engage in institutional and organizational capacity development and human resource development.

JICA is assisting with the development of critical economic infrastructure, such as major arterial roads and electric power facilities. JICA is also supporting the formulation of policies and capacity building in the industrial sector in order to stimulate the private sector and the establishment of irrigation facilities for raising productivity in the key agriculture sector. To achieve inclusive development, JICA is extending assistance in rural areas for the establishment of water supply systems, the enhancement of healthcare services, and human resources development in the education sector. JICA is also helping strengthen the nation’s economic foundation and enhance governance as the backbone for social development. These initiatives include assistance for improving the legal system; improving administrative capabilities including for local government; and strengthening national taxation- and customs-related capabilities.

In 2011, there were many symbolic events that demonstrated the benefits of JICA’s assistance. Cambodia enacted the Civil Code and Code of Civil Procedure that were related capabilities. Enacted the Civil Code and Code of Civil Procedure that were related capabilities.

**Laos**

The GDP of Laos has been increasing at an annual rate of almost 8% and nominal GDP per capita surpassed US$1,000 in 2010. However, access to social services is limited in rural areas, which are mostly mountainous, which creates the risk that Laos will be unable to attain the Millennium Development Goals (MDGs) concerning health and education.

The Government of Laos established the 7th National Socio-Economic Development Plan in June 2011. The goals are to reach the 2015 MDGs and leave the ranks of least developing countries (LDC) by 2020.

JICA’s aid approach is centered on support for the achievement of the MDGs and for building a foundation for economic growth that will be a driving force for the country’s self-reliant and sustainable growth. JICA is providing cooperation for the following priority areas: increasing access to basic education, expansion of healthcare services, rural development, social and economic infrastructure development, strengthening of the private sector and improvement of administrative capabilities.

In March 2012, the decision was made to proceed with the Southern Region Power System Development Project, the first Project-type Loan in Laos in seven years. The project will create a national electricity grid by directly linking the separate transmission networks in southern Laos. This is expected to contribute to rural electrification and the stability of the electricity supply.

In addition, JICA has started assisting with countermeasures regarding the large volume of unexploded ordnance in Laos.

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**Case Study**

**Timor-Leste Industrial Infrastructure Program**

**Upgrading National Road No. 1 Using the First ODA Loan to Timor-Leste**

In March 2012, JICA and Timor-Leste signed an ODA loan agreement of up to ¥5,278 billion for the National Road No. 1 Upgrading Project, in the commemorative year of the 10th anniversary of independence of Timor-Leste and the establishment of diplomatic relations between Japan and Timor-Leste. The project is to make the National Road No.1 passable and safe throughout the year in any weather by upgrading the 116km road from the capital city of Dili to the second largest city, Baucau, based on an international standard.

When Timor-Leste became independent in 2002, almost 80% of the buildings in the capital city, Dili, were destroyed and refugee camps were overflowing. Peace-building activities of the United Nations started in this challenging environment. JICA opened its office in Timor-Leste in 2000 and has been providing a diverse array of cooperation in the areas of rehabilitation of basic infrastructure (roads and bridges, ports, irrigation, water treatment plant, etc.), capacity development for the operation and maintenance of those facilities, and human resources development.

Since its independence, Timor-Leste has made significant progress in security restabilization, which brought double-digit economic growth to the country. The country’s medium-term vision is “to step forward from post-conflict status to the development stage.” The country wants to reduce its dependence on energy resources and develop new business opportunities that can be the nucleus of the economy. Upgrading National Road No. 1 is one of the major national projects listed in the Strategic Development Plan (2011-2030) to accomplish this goal and is expected to contribute to mobilizing more business and economic development opportunities in Timor-Leste in the future.

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*The Sihanoukville Port special economic zone was completed in May 2012.*
anmar

The new administration that took over in March 2011 has been implementing reforms for democratization and reconciliation with the people of Myanmar.

JICA is supporting the reforms of the Government of Myanmar and altered its economic cooperation policy in April 2012 to enable the people of the country to see for themselves the benefits of these reforms. As a result, JICA has decided to enlarge the scope of aid programs, which had previously been restricted to the field of basic needs for living. To formulate programs, JICA plans to identify needs in the fields of agriculture, healthcare and education as well as in the infrastructure sector in order to promote economic growth.

Specifically, JICA will continue to implement existing programs, such as the prevention of the three major infectious diseases of malaria, HIV/AIDS and tuberculosis [See the Case Study on page 89] and support for production of alternate crops in northern Shan State as a drug control measure. In addition, JICA plans to provide cooperation that contributes to economic development. Examples include the Economic Reform Program, which uses human resources development, Yangon urban development, and the construction of port facilities and transportation networks.

JICA also plans to increase assistance for minority ethnic groups, use Technical Cooperation for agricultural technology guidance, assist with infrastructure projects and provide other support.

Viet Nam

In 2011, the strategic partnership between Japan and Viet Nam became even stronger with the announcement of the Japan-Viet Nam Joint Statement by the leaders of the two countries. At a summit meeting, Viet Nam asked for cooperation to upgrade universities to international standards and conduct high-quality human resources training activities. In response, JICA started conducting a survey in order to hold discussions with Viet Nam concerning cooperation in the fields of higher education and industry-related human resources development.

For infrastructure development, an ODA Loan was provided for the Lach Huyen Port Infrastructure Construction Project, the first Public-Private Partnership project in Viet Nam. Support was also extended for technologies to cope with disasters and climate change and for more advanced disaster prevention measures. For this support, Viet Nam received the first ODA Loan for satellite procurement and education to develop and utilize earth observation satellites.

Based on the Viet Nam Socio-Economic Development Strategy (to 2020) that was adopted at the January 2011 Communist Party convention, JICA is also providing support for the creation of strategic industry proposals to make Viet Nam an industrialized country by 2020.

There are many important issues in Viet Nam that require action: efficient infrastructure investments, industrialization, improving productivity, rapid urbanization and widening disparities. By helping make Viet Nam more globally competitive, JICA is helping Viet Nam to achieve sustained growth, overcome vulnerabilities, and progress with nation-building and creating an equitable society.

Timo Leste

Timo Leste celebrated the 10th anniversary of its independence in May 2012. Being ready to graduate from the reconstruction stage and embark on full-fledged economic development, the Government of Timor-Leste announced the Strategic Development Plan (2011-2030) in July 2011. In accordance with its basic policy of building a foundation to advance from reconstruction to development, JICA has established three cooperation programs: building a base for economic vitality; agriculture and rural development; and upgrading the capacity of governments and the public sector. To support medium-term economic and social development, JICA will offer cooperation that emphasizes invigorating and diversifying business activities for contributing to economic development.

In 2012, as a commemorative event for the 10th anniversary of diplomatic relations between Japan and Timor-Leste, the first ODA Loan agreement was signed between JICA and the Government of Timor-Leste, for the National Road No. 1 Upgrading Project, which links the capital of Dili and Baucau, the country’s second-largest city [See the Case Study on page 29].

Malaysia

Malaysia is undergoing steady growth as an upper-middle income country in ASEAN; it has quickly recovered from the global financial crisis and has returned to a stable growth track. The Malaysian government announced the New Economic Model (NEM) in March 2010. The NEM outlines policies that aim to double annual per capita income by 2020 by shifting to knowledge-intensive industries, among other strategies.

JICA is providing assistance with a focus on the following priority areas: 1) cooperation for balanced development toward a developed country; 2) contribution toward common issues in the East Asian region; and 3) Japan-Malaysia development partnership that goes beyond the East Asia region.

In December 2011, a Japanese ODA loan agreement was signed with the Government of Malaysia for the Development Project for Malaysia-Japan International Institute of Technology (MJIIT). This institute started operating in September 2011 for the purpose of introducing Japanese-style engineering education in Malaysia. With the cooperation of 24 universities in Japan (as of April 2012), JICA is providing assistance including Technical Cooperation with the aim of creating even better research and education institutions [See the Case Study on page 27].

Singapore

Singapore, which “graduated” from JICA’s ODA assistance in fiscal 1998, and Japan have been cooperating with each other as partners carrying out approximately 15 to 20 training courses a year mainly for other ASEAN nations under the Japan-Singapore Partnership Programme (JSPP) since 1994. By fiscal 2011, 313 courses had been conducted with the participation of 5,363 individuals from 88 countries.

From fiscal 2009 to 2012, JICA has dispatched a research fellow to the Lee Kuan Yew School of Public Policy of the National University of Singapore to build networks that can enhance JICA operations, through such activities as joint research and seminars.
The continuing expansion of the Asian economy is a driving force of the global economy. One result of economic growth is a rapid increase in the volume of trade within Asia and between Asia and Japan. To accommodate this increasing volume, there is an urgent need to improve the efficiency of customs clearance and other trade procedures in Asian countries. The Government of Japan is promoting the “Asia Cargo Highway” initiative that aims to facilitate the seamless movement of goods in Asia. To help make this vision a reality, JICA is providing support for the modernization of customs operations. The assistance includes institutional reforms, training for customs personnel, establishing electronic customs clearance systems and other activities. Through these measures, JICA is contributing to building even stronger partnerships between Japan and the ASEAN countries.

**Trade Facilitation under “Asia Cargo Highway” Initiative**

![Diagram showing the steps of trade facilitation under the Asia Cargo Highway initiative](source: Ministry of Finance Japan)

**Case Study**

**Customs Cooperation to Realize the Asia Cargo Highway**

Support for Modernization of Customs Operations for Smooth Trade between Asian Countries and Japan

The Asia Cargo Highway initiative sets goals in a step-wise manner in order to reflect the diverse conditions in each partner country. The first step for achieving the vision is ratification and adoption of the international rules (tariff classification, custom valuations, etc.) prescribed by the WCO. This step also includes training people on the new rules, introduction of advance rulings, post-clearance audits, and time release surveys (TRS) that set the target time and verify the result. The second step is support for the establishment of an efficient risk management system, introduction of an electronic customs clearance system, and creating one-stop service for customs, immigration, quarantine and other procedures. The third step involves the adoption of the AEO system* and mutual recognition among the related countries, establishment of national single window, and international interoperability of the systems among ASEAN countries and Japan.

In conjunction with these measures, JICA signed an agreement with the Government of Viet Nam in March 2012 to provide Grant Aid for the establishment of an electronic customs clearance system. The system will be based on two customs systems used in Japan: the Nippon Automated Cargo and Port Consolidated System (NACCS) and the Customs Intelligence Database System (CIS). Many foreign companies, including Japanese firms, have been starting operations in Viet Nam in recent years and the volume of international trade is growing rapidly. Using this electronic customs system with advanced Japanese technologies is expected to make Viet Nam’s trade procedures more efficient and strengthen connectivity between Viet Nam and the global economy, including Japan.

*The Authorized Economic Operator (AEO) system eases and simplifies customs procedures for companies that fulfill the required cargo security management and legal compliance capabilities.

**From Our Expert**

**Project for the Promotion of E-Customs in Viet Nam**

**Hiroki Sakurai**

Viet Nam joined the WTO in 2007 and has been working hard on modernizing customs procedures to ensure even smoother trade procedures. To further increase the pace of these activities, JICA has provided Grant Aid for the introduction of an electronic customs clearance system that is based on NACCS, a technology that was developed and used over a period of more than 30 years by Japan Customs. The system is expected to become operational in 2014.

However, similar to any other electronic system, the benefits of this electronic customs clearance system will depend greatly on how it is used. This is why we need to pay great attention to soft aspects such as amendments of laws and regulations to match the new system, improvement of operational processes, and training of maintenance and management personnel. The Technical Cooperation project, where I am currently assigned, provides assistance for these soft aspects in order to maximize the benefits of using the new system.

**From the Grassroots**

Modernization Committee, General Department of Viet Nam Customs

**Deputy Director**

**Nguyen Manh Tung**

To introduce NACCS, we will amend our laws and regulations as needed while referring to Japan’s laws and regulations on customs. We want to use Japan’s electronic customs clearance system with as few changes as possible with the goal of significantly modernizing Viet Nam’s customs procedures.

We will also incorporate know-how concerning risk management used in Japan in order to perform customs operations effectively and efficiently. To do this, I think that we have to perform a major review of operational processes within Viet Nam Customs. I want to make steady progress with adopting the new system with the cooperation of JICA and the Japanese Customs and Tariff Bureau.