

Central America and the Caribbean

Promoting Effective Development Cooperation as a Partner

Mexico and the countries of Central America and the Caribbean*¹ share many commonalities with respect to language, culture, etc. At the same time, however, the region has diverse needs due to marked differences in the size and socioeconomic situation of each country.

While taking into consideration the unique context of each country as well as the regional integration and intra-regional cooperation initiatives to overcome region-wide development issues, JICA assists in the stable development of this region by placing a priority on the following three areas: 1) Infrastructure development for sustainable economic growth; 2) Addressing global issues (measures against climate change, environmental conservation and improvement, and disaster prevention); and 3) Poverty reduction from a human security perspective.

Key Aid Strategies

Establishing an Economic Infrastructure, Dealing with Global Issues and Supporting Impoverished People

The Central American Crisis (a collective term for the series of civil wars that occurred in numerous Central American countries), which continued for over 10 years starting in the late 1970s, severely impacted the social and economic development of the Central American region. Later, as the various conflicts wound down and the peace process advanced in the 1990s, democracy began to establish itself and today most Central American countries are experiencing stable economic growth. The Caribbean region is also maintaining a certain degree of economic growth thanks mainly to its tourism industry and to remittances from migrants residing in the United States.

However, Central America and the Caribbean continue to face numerous challenges, as every year the region experiences natural disasters such as hurricanes, and also on account of its vulnerable economic structure, which remains dependent on the export of primary commodities and on remittances from overseas. With the aim of overcoming these common issues, regional organizations such as the Central American Integration

System (SICA) and the Caribbean Community (CARICOM) work actively to promote regional integration and intra-regional cooperation.

In consideration of language and cultural commonalities and regional integration as well as intra-regional cooperation frameworks, JICA works to provide assistance on a regional scale (regional cooperation) to overcome common development issues that affect each country. JICA works in partnership with international organizations such as the Inter-American Development Bank (IDB) and other aid-donors.

Celebrating 70 years of diplomatic relations between Japan and five Central American countries, 2005 was designated as the Japan-Central America Year and was marked by the Japan-Central America Summit, which led to the adoption of the Tokyo Declaration and the Action Plan*².

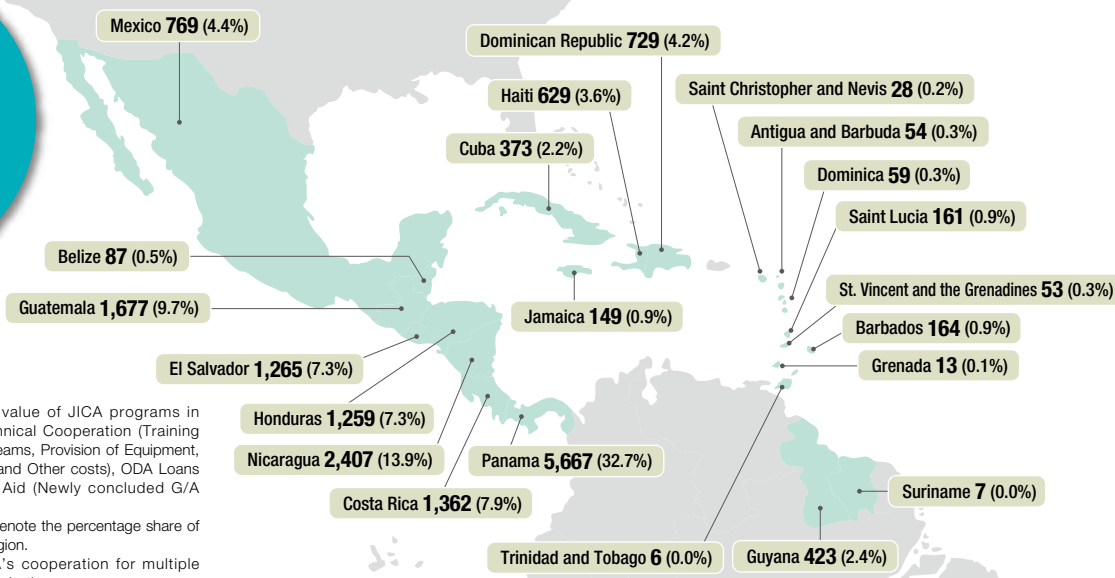
Using the Action Plan as a guideline, JICA implements assistance for the establishment of peace and democracy, further economic cooperation, development, promotion of

JICA Programs in Central America and the Caribbean (Fiscal 2011)

Central America and the Caribbean

Total: **17,342**

(Unit: millions of yen)



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.



tourism, and disaster prevention.

In consideration of the agreement concluded at the 2nd Japan-CARICOM Ministerial-Level Conference held in 2010, JICA is providing the CARICOM member states with assistance for environmental and climate change countermeasures, mitigation of the impacts of the economic crisis, reconstruction following the Haiti earthquake, etc.

Through frameworks like the Japan Mexico Partnership Program (JMPP), JICA promotes triangular cooperation for the purpose of providing assistance to developing countries in the region by working with Mexico and other emerging countries.

Priority Issues and Efforts

Infrastructure Development for Sustainable Economic Growth

This region has fallen behind in building and restoring a basic economic infrastructure due to many years of civil war and frequent natural disasters like hurricanes. The lack of this infrastructure is one impediment to economic growth in the region.

JICA is providing support for the construction of highways and bridges in order to facilitate the efficient movement of goods throughout the entire region. In Nicaragua, the Government of Japan and JICA have provided Grant Aid to replace many bridges on the international arterial highway that links the capital of Managua on the Pacific coast to the Port of El Rama on the Atlantic coast. Facilitating the smooth and safe domestic and international movement of cargo is expected to stimulate regional economic growth along the coasts of Nicaragua.

This region has been recovering from the global financial crisis that started in the fall of 2008, but the pace of this recovery has been slow. As a result, there is an increasingly greater need for initiatives to achieve sustained economic growth and eliminate socio-economic disparities. In Costa Rica, the Government of Japan and JICA have provided Grant Aid, and JICA has implemented Technical Cooperation to establish the Centro Para la Formación de Formadores (CEFOF, now the

UTN-CEFOF, Universidad Técnica Nacional-Centro de Formación de Formadores y Personal Técnico para el Desarrollo Industrial de Centroamérica) and develop human resources for small and medium-sized enterprises (SMEs). Instructors at UTN-CEFOF have been training local people to be facilitators for supporting SMEs in Central America and the Caribbean. This regional cooperation project is aimed at contributing to strengthening SMEs support activities in this region.

Japan has been strengthening its economic ties with Mexico following the enactment of an economic partnership agreement (EPA) in 2005. In 2011, JICA implemented its first training based on public-private partnership to instruct Mexican physicians on the use of a surgical procedure called transradial coronary intervention (TRI)^{*3}, in response to a proposal from Terumo Corporation, one of the world's leading manufacturers of catheterization products. The number of deaths in Mexico caused by ischemic heart disease is expected to decline due to this training. This program is consistent with the aim of the Government of Mexico to increase international health care interaction as part of its new growth strategy. Furthermore, the program is an opportunity to share Japan's highly advanced catheter technology with other countries. As a result, the program is highly beneficial for both the public and private sectors.

Addressing Global Issues

Climate Change Measures (Renewable Energy, Energy Conservation, and Disaster Prevention)

In the area of climate change, JICA assists mitigation measures by such means as developing renewable energy and introducing methods for energy conservation. JICA also assists climate change adaptation measures, such as enhancement of disaster prevention. In March 2012, a framework agreement was signed between JICA and the IDB for the implementation of co-financing under the CORE (COfinancing for Renewable energy and Energy efficiency) scheme for Central America and the Caribbean. Under this new scheme, JICA will provide ODA Loans for projects aimed at reducing greenhouse gas emissions in the region.

In July 2011, JICA started a study concerning the construction of a geothermal power plant in northwestern Costa Rica. This country has announced the goal of becoming carbon neutral^{*4} by 2021 and is aiming to balance economic growth with environmental protection. The Government of Costa Rica focuses on geothermal energy, which is a renewable energy source, to provide a stable supply of electricity throughout the year, anticipating support from JICA.



A geothermal well drilled by the Costa Rican Electricity Institute (ICE). JICA is implementing the Preparation Study for the Geothermal Energy Development in Guanacaste Province to assist in steam data analysis for this well and other activities.

^{*1} Antigua and Barbuda, Bahamas, Barbados, Belize, Costa Rica, Cuba, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Saint Christopher and Nevis, Saint Lucia, Saint Vincent, Surinam, and Trinidad and Tobago.

^{*2} As a follow-up to the Tokyo Declaration and Action Plan, Japan and the Central American countries hold the Japan-Central America Forum every year in order to continue dialogue and strengthen relations.

^{*3} TRI is a surgical procedure in which a catheter is inserted through a vein in the wrist. This method has a smaller physical and economic impact on patients than with conventional procedures.

^{*4} Carbon neutral aims to cancel out CO₂ emissions from human activity by absorbing the same or greater amounts of CO₂.

Hurricanes, earthquakes and other natural disasters occur frequently in Central America and the Caribbean. Due to the high vulnerability of this region to these disasters, there is an urgent need to make this region more resistant to disasters.



An expert from Mexico holds a training session for physicians and nurses concerning neonatal emergency resuscitation (Guatemala).

JICA has been supporting reconstruction efforts of the Government of Haiti following the devastating earthquake of January 2010. In addition, JICA is sharing and promoting the application of community disaster preparedness expertise by using Japan's knowledge in this area. In El Salvador, JICA is extending support to create an infrastructure reconstruction plan for El Salvador following damage from heavy rains in 2011 [See the Case Study below].

Support for Impoverished People for Ensuring Human Security

Although countries in Central America and the Caribbean are achieving economic development to some degree, there are still large numbers of people living in poverty who have no access to basic education, health and medical services, and safe drinking water. Based on the principles of human security, JICA is aiming for inclusive development in Central America and the Caribbean, a region with significant socio-economic disparities. JICA plans and implements programs that place

Case Study

El Salvador Plan for Economic Infrastructure Rehabilitation Assistance and a Regional Disaster Preparedness System

Support for Disaster Preparedness and Recovery Extending from Communities to Regions

Like Japan, El Salvador experiences frequent natural disasters such as floods, landslides, earthquakes and volcanic eruptions that cause injuries, deaths, and property damage. JICA implements Japanese technology and experience to provide a broad range of support that extends from the community level to infrastructure reconstruction.



The La Zorra Bridge in La Paz Province in southern El Salvador was damaged by rain from a tropical depression in October 2011.

Suffering Natural Disasters in El Salvador

In El Salvador, there were more than 200 deaths due to Hurricane Mitch in 1998 and more than 500 deaths due to landslides in residential areas near the capital of San Salvador, when a major earthquake hit in January 2001. In order to mitigate the country's vulnerability to natural disasters, JICA has extended cooperation based on technology and experience accumulated in Japan. In the Project on Capacity Development for Disaster Risk Management in Central America "BOSAI" (The "BOSAI" Project), JICA supported community-level initiatives to protect people's lives and property from natural disasters. In the Enhancement of the Construction Technology and Dissemination System of the Earthquake-Resistant "Vivienda

Social" Project, JICA provided solutions for the construction of earthquake-resistant residential buildings and promoted the use of earthquake-resistant construction methods by making residents of El Salvador more aware of the issue. These activities have produced positive effects.

Upgrading Disaster Prevention Information

The "BOSAI" Project, which JICA is conducting in six Central American countries including El Salvador, assists in enabling not only disaster response agencies but also residents themselves to gather and communicate information to be prepared for disasters, which leads to prevent or reduce the loss of life and property. Meanwhile, El Salvador does not have sufficient equipment for the measurement of the magnitude of earthquakes and height of tsunamis. The country needs more equipment in order to collect the accurate information that is needed for the evacuation of residents.

JICA started a survey in 2012 for the Grant Aid project for Improvement of Equipment for Disaster Risk Management (tentative name). The goal is to provide local residents with faster evacuation instructions by installing equipment, ocean height meters and the systems for transmitting the data from these

meters, all of which apply Japanese technologies and experience.

Support for Economic Infrastructure Reconstruction

In recent years, damage to social and economic infrastructures from heavy rains has become more frequent and severe in El Salvador. Rainfall from a tropical depression in October 2011 caused immense damage. For instance, 12 bridges on main highways collapsed and 37 were damaged. Trucks with large trailers carrying agricultural goods and other cargo were blocked, which created a major obstacle for economic activity in the country.

To support the rapid restoration of the economic infrastructure, JICA implemented the Economic Infrastructure Rehabilitation Assistance Project from March to November 2012. Through this project, JICA is providing assistance to create plans that will enable rapid repairs to damaged bridges. Restoring the country's land transportation network is expected to return El Salvador to normal



Runoff from heavy rain washed away part of the downstream side of this bridge, which was closed off by nearby residents.

priority on increasing the capacities of governments, communities and people.

In the health sector, a Technical Cooperation program is under way in three particularly impoverished western departments of Guatemala. The goal is to provide proper healthcare services to mothers and infants.

In the governance sector, JICA is implementing Technical Cooperation programs in Honduras and other countries to enable local governments to plan, formulate and execute development projects that meet the needs of their residents. The aim is to upgrade administrative services of these governments, thereby building stronger ties with residents based on trust and increasing transparency.

With regard to assistance for individuals with disabilities, the Kaloie Project in Costa Rica one of JICA's Technical Cooperation programs, assists in enabling people with disabilities to become self-reliant. By participating in this project, people who previously stayed at home and were not part of society have become empowered. JICA played a leading role in establishing an independent living center and has encouraged governments in Costa Rica to support disabled people and improve systems for providing them with subsidies

[See the Case Study on page 91]. Furthermore, JICA continues to provide assistance through Third-Country Training and other activities to share the results of this project with other countries in this region and promote these programs.

Haiti is the poorest country in Central America and the Caribbean. Here, a triangular cooperation project*⁵ is under way for the purpose of upgrading the skills of agricultural engineers in Haiti. This project was realized by means of collaboration with the Government of the Dominican Republic, which has gained knowledge about agriculture from cooperation provided by the Japanese government and JICA. Dissemination of agricultural techniques of the Dominican Republic that are suitable and applicable to Haiti is expected to increase agricultural productivity in Haiti.

By conducting these activities, JICA is also promoting efforts to share the experiences of individual countries and results of previous cases with other countries in Central America and the Caribbean, a region where all countries are confronting common issues.

*⁵ Triangular cooperation involves three countries: a partner country (Haiti), a country that provides aid resources (Dominican Republic), and cooperation provided by the Government of Japan and JICA.

Case Study

Dominican Republic Project for Sustainable Tourism based on Public-Private Partnership

Developing New Tourism Destinations with a New Approach by Using Tourism Product Development and Community Participation

In the Dominican Republic, the government has promoted expansion of the tourism industry by attracting and utilizing foreign capital since the 1960s. However, it is often said that tourists seldom step out from resort hotels in the country because most facilities for tourists, so called all-inclusive resort hotels, have their own shops and restaurants. In response, JICA has provided cooperation for establishing a new framework for tourism in which local residents receive benefits, too.

The Province of Puerto Plata is the third-largest tourist destination in the Dominican Republic, but local residents receive limited benefits from the tourism industry. With JICA's cooperation, the Sustainable Tourism based on Public-Private Partnership project has started.

To implement the project, a working group was formed in each of the nine municipalities in the Province of Puerto Plata. Members include representatives from local governments, NGOs, civic organizations, local companies and other participants from the public and private sectors. Each group identified natural and cultural resources in its respective area and created its own map showing the locations. This process is giving local residents a renewed sense of pride in their home regions, thereby further motivating all participants in this project. Local residents are gaining a feeling of pride in local resources that had not been attracting attention before, such as a product or a type of music. Adding episodes and other

information to these resources allows the development of tourism products with distinctive regional characteristics (like a particular product, such as high-quality coffee). This public-private partnership with residents playing a central role leads to give the Puerto Plata area a new type of appeal for tourists.

Hotel and the tourism sector are the most important industry for the residents of Puerto Plata. However, the number of tourists has been decreasing steadily because of competition with other resorts in the Dominican Republic and nearby countries. As a result, hotel and tourism operators as well have high

expectations for this project because the tourist product development process meets their needs, too. In the past, communities have had almost no involvement with tourism development in the area. This project is expected to help establish a win-win relationship for residents and hotels.

In March 2012, this project received the Puerto Plata Outstanding Achievement Award, which is given to the organization that makes the greatest contribution to the Province of Puerto Plata. Receiving this honor has further heightened the motivation of the participants in this project.



An expert from Japan gives advice concerning a hands-on tour (making chocolate by hand from cacao) under development by a working group consisting of local residents.