



Bolivia: Local residents hold a thank-you ceremony to celebrate a water storage tank built by the Water of Life Project. [Photo by Shinichi Kuno]



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Director General's Message

Latin America and the Caribbean

Promoting Private Sector Participation in the Growing Economies of Latin America Using Japan's Knowledge as a Leverage

Fiscal 2012 saw expansion of activities that lead to participation of Japanese private sector in Latin America. Such projects include fostering of the support industries for Mexico's automotive sector, where Japanese companies are increasingly moving into, and improving skills of shipbuilders in Brazil. In both cases, leveraging Japan's technology was a key in promoting partnership with private sector. In Latin America as well, JICA seeks robust collaboration with private sector in its effort to assist developing and emerging countries to fulfill their development goals, in a wide range of fields including resources development and disaster prevention.

With Japanese automobile manufacturers ramping up local production in Mexico, there are hopes that local companies will upgrade their operations to enable the procurement of high quality parts. At the request of the Mexican government, JICA has begun providing assistance with fostering automotive part suppliers. In future, JICA also plans to cooperate with nurturing highly skilled human resources for automobile-related industries.

In Brazil, the development of seabed oil fields has expanded the demand for ships. JICA is preparing a project with Brazil to foster shipbuilding engineers to meet the local demand. This will, in the end, place steppingstones for Japan's shipbuilding business to invest more in the region. Moreover, projects that utilize highly advanced technologies such as smart grids for efficient operation of electric power systems and smart cities that incorporate advanced traffic systems and land utilization are under consideration.

JICA is also providing ODA Loans for energy conservation projects; those include geothermal energy development in Costa Rica and the conversion of lighting systems in public facilities to LED lighting in Nicaragua.

In resource development-related support, geothermal energy development projects to provide Bolivia with the electric power needed for development of the remote mountainous areas and

the lithium mining project are in operation. Timely provision of ODA Loans to geothermal project is our next target. Japan is supporting resource-rich countries for sustainable development of such resources, which in turn secure natural resources supplies for Japan. Disaster prevention remains a key theme: Japan's public and private sector have accumulated disaster prevention and mitigation technologies, such as early warning system, which will be of great use for disaster-prone countries of Latin America. JICA is extending aid to share Japan's experience in disaster prevention and mitigation to those countries.

In fiscal 2013, JICA will continue to strengthen economic relations between Japan and Latin America, a region where total GDP is approximately 2.5 times that of ASEAN. In early 2013, JICA formed a study mission in collaboration with Japanese private sector to South America, seeking to promote partnership with Japanese descendent (Nikkei) communities totaling over 1.6 million people in Latin America. JICA is committed to accelerate collaboration with private sector in its own unique way.

Following agreements with Mexico, Peru and Chile, Japan is currently negotiating an Economic Partnership Agreement (EPA) with Colombia. JICA is considering the possibilities of cooperation and collaboration with the Pacific Alliance comprised of these four South American countries.