



Mexico: along with economic growth is the growing importance of supporting industry that sustains manufacturing. (Photo by Kenshiro Imamura)

Director General's Message

Unifying Strengths of Japan's Public and Private Sectors in Enhancing Development Results



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We have seen robust progress in 2013 in partnerships between Japan's public and private sectors to maximize development impact for each of the pillars of assistance to Latin America and the Caribbean (LAC). The FIFA World Cup 2014 attracted Japanese interest to Brazil and triggered interest in the rest of LAC. Prime Minister Abe's official visit to the region in 2014, the first in a decade as a head of government, announced the commitment of further strengthening ties between Japan and LAC. JICA will continue to contribute to the development of the region and fostering the bond between the two.

In fiscal 2013, there was substantial progress in our operations in the field of energy. JICA has been collaborating with the Inter-American Development Bank (IDB) on development projects in geothermal and hydroelectric power generation and renewable energy as well as projects related to energy conservation in Central America and the Caribbean under the framework agreement with IDB, known as CORE (Cofinancing for Renewable Energy and Energy Efficiency). Responding to a huge demand, CORE has been raised to \$1 billion, the maximum allowed for JICA's ODA Loans. At the same time, there was also an expansion in the number of countries eligible for the CORE scheme. In November 2013, JICA signed a cooperation agreement with Costa Rica on the construction of several geothermal plants as one of the CORE projects. Surveys for the development of geothermal power generation are underway in Guatemala and Nicaragua, and also projects in similar fields are under consideration in Ecuador and Peru.

JICA has provided extensive support to the LAC region, prone to natural disasters such as earthquakes, tsunamis, floods, and mudslides, for disaster reduction and recovery efforts. In 2013 a loan agreement on Stand-By Emergency Credit for Urgent Recovery, a new financial scheme to respond to capital needs at the time of disasters, was

concluded with Peru. A similar arrangement is now under negotiation with El Salvador. In the area of human resources development in disaster reduction and recovery, JICA will partner with Chilean institutions in triangular cooperation under the Japan-Chile Partnership Program.

In LAC, the development of infrastructure has not caught up with social factors resulting from economic growth, such as the growing middle classes, the advent of an automobile society, and concentration of the population in cities. While JICA works with the goal of mitigating traffic congestion and air pollution, JICA will best utilize Japan's urban transportation and smart cities technologies. In the field of industry, JICA is working on promoting support for the manufacturing industry and developing human resources in Mexico. A similar approach will also be applied in South America as well.

Partnering with Japan's private sector and local governments is essential in such industry-related issues. In 2013, JICA invited policy-makers from relevant institutions in partner countries to Japan to visit private and public entities in loco. The successes achieved by these activities can be measured in the deepened understanding of the partner countries on latest technologies and systems.