# **Central America and the Caribbean**

**Promoting Effective Development Cooperation** 

While the Central America and the Caribbean<sup>1</sup> countries share many aspects such as language and culture, they also have diverse needs according to each country's size and different socio-economic situations.

Taking into consideration the unique context of each country as well as the trend that regional and intraregional cooperation initiatives are overcoming region-wide development issues, JICA supports sustainable development of the region based on three priority areas: (1) Development of economic infrastructure in order to pull out of the middle-income trap;<sup>2</sup> (2) Addressing global issues; and (3) Disparity reduction from the perspective of human security.

Key Aid Strategies Improvement of the Economic Infrastructure, Response to Global Issues and **Mitigation of Socio-Economic Disparities** 

The Central America region was seriously affected by the armed conflicts that continued for over 10 years since the late 1970s. With the end of the conflicts and the progress of peace negotiations in the 1990s, democracy began to take root in the region. Today, most Central American countries are achieving stable economic growth. The Caribbean region is also maintaining a certain degree of economic growth supported mainly by the tourism industry and remittances from migrants residing in the United States.

On the other hand, many countries have vulnerable economic structures highly reliant on primary product exports and overseas remittances. In recent years, some countries have faced an uncertain economic situation due to the international financial crunch in Europe and the unstable support system of Petrocaribe, an energy cooperative organization led by Venezuela. Central America and also the Caribbean face many problems, such as

frequent hurricanes and other natural disasters.

In order to overcome these common issues and achieve regional development, regional cooperation initiatives are intensifying via organizations like the Central American Integration System (SICA) and the Caribbean Community (CARICOM). Along with these trends of region-wide and intra-regional cooperation, JICA is continuing to work in partnership with international organizations such as the Inter-American Development Bank (IDB) and other bilateral donors, in order to respond effectively to common development issues in the region, along with assisting in solving regional and global-scale issues.

The year 2014 is the 20th anniversary of the commencement

1. Antiqua 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. A situation where a country that has overcome poverty and reached the middle-income level loses its competitiveness due to rising wages and other reasons.



Note: Figures exclude JICA's cooperation for multiple countries and/or multiple regions and international organizations

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of the Japan-CARICOM Consultation, and also marks the 50th anniversary of diplomatic relations between Japan and Jamaica and Trinidad and Tobago. To commemorate this anniversary, the Government of Japan has designated 2014 as the Japan-CARICOM Friendship Year. JICA focuses on "Disaster Risk Management and Environmental Conservation" and "Fisheries" as the priority areas, and will promote surveys and projects necessary for facilitating interaction between Japan and Caribbean countries.

The year 2013 marked the 10th anniversary of the commencement of the Japan-Mexico Partnership Programme (JMPP), which has been providing support to countries in the region by both the Mexican and Japanese governments. To celebrate this event, a commemoration ceremony and symposium were held in Mexico in February 2014. The ceremony had in attendance many people from Brazil and Chile, where partnership programmes have been carried out with JICA similar to those in Mexico, as well as from international organizations supporting South-South cooperation. Outcomes and lessons learned from the Triangular cooperation and the South-South cooperation projects were shared among participants. Working together with partner countries, JICA will continue to support effective implementation of Triangular cooperation.

Moreover, JICA is also promoting Triangular cooperation in collaboration with emerging countries such as Mexico, under the JMPP.

## **Priority Issues and Activities**

### Improvement of Economic Infrastructure in order to Pull Out of the Middle-Income Trap

In the Central America region, economic growth has been hampered by civil wars, sluggish development of socioeconomic infrastructure due to natural disasters, and delayed response to rapid urbanization. For contributing to the development of economic infrastructure's tangible and intangible aspects, JICA is promoting enhancing infrastructure construction and productivity enhancement. This effort also gives consideration to the Win-Win relationship between the Japanese economy and the partner nations through creating business opportunities.

In Panama, JICA makes contributions to reducing urban traffic congestion and developing measures for climate change focusing on tackling air pollution, as well as conducting a feasibility study on bridge construction. Furthermore, a memorandum of understanding on Technical Cooperation for sewage disposal was signed between JICA and the Panamanian government. This project will be implemented with the cooperation of Yokohama City, which has excellent sewage control and operational technologies. Through the introduction of Japan's public and private technologies, this project is expected to play a pivotal role in allowing the Japanese private sector to seek participation in the water business in Panama.

In recent years, there has been increasing need for advanced technologies in Cuba, where foreign investment has been encouraged. Thus, JICA is promoting public-private cooperation in the health sector, providing medical equipment with Japan's advanced technologies. In conjunction with inviting Cuban officials to Japan in November 2013, JICA hosted the Cuba Public-Private Partnership Seminar for Japanese companies and organizations interested in opening businesses in Cuba, to share information on Cuba's investment environment, the health care situation, and other matters. The Cuban officials met people involved in medical equipment in Japan and exchanged opinions. They gained a further understanding of Japan's medical system, overseas deployment strategy for technologies and services, and the latest medical technologies.

Gas exhalation test in Guanacaste province, Costa Rica. Utilization of Japan's geothermal technology is expected.

Central America and the Caribbean Regions: Co-financing for Renewable Energy and Energy Efficiency (CORE) Scheme

## Promotion of Renewable Energy and Energy Efficiency in Cooperation with the Inter-American Development Bank

Not only do the Central American and Caribbean regions heavily depend on fossil fuels, fuel imports have also squeezed the international trade balance of many countries in the regions. Hence, in cooperation with the Inter-American Development Bank (IDB), JICA is promoting projects for renewable energy and energy efficiency in the regions.

#### Increase in the Target Amount and Expansion of Target Areas

In January 2011, a memorandum was signed between JICA and the Inter-American Development Bank (IDB) to realize the enhancement of comprehensive cooperation, such as promotion of cofinancing and joint research in the fields of renewable energy and energy conservation. In March 2012, both parties also agreed to the framework for implementing the Cofinancing for Renewable Energy and Energy Efficiency (CORE<sup>1</sup>).

As the first CORE project, the ODA Loan

agreement of the National Program of Sustainable Electrification and Renewable Energy was signed between JICA and the Nicaraguan government in October 2013. This project promotes rural electrification by small-scale hydroelectric generation, as well as the introduction of sodium-vapor lamps and light-emitting diodes (LED) to street lamps.

In November, the Cooperation Agreement for Guanacaste Geothermal Sector Loan was also concluded among JICA, the Costa Rican government, and the Costa Rican Institute of Electricity (ICE). Under this agreement, several



geothermal power plants will be constructed.

In addition, the 3rd IDB cooperation training program on energy conservation was held in 2013. Along with developing human resources, JICA is also engaged in sharing information on Japan's energy conservation technologies with personnel involved in policy-making and project management in other countries.

In March 2014, JICA signed a memorandum to raise the target amount of CORE to \$1 billion. The target area was also expanded to include the Caribbean Development Bank, eastern Caribbean countries, and most middle-income countries. Along with utilizing CORE, JICA will continue to make efforts at solving issues in the fields of climate change and energy in association with the IDB.

1. CO-financing for Renewable energy and Energy efficiency

Case Stud

# Addressing Global Issues

## Climate Change Countermeasures: Renewable Energy, Environmental Protection and Improvement, and Disaster Prevention

Through the JICA-IDB co-financing scheme, JICA is actively taking measures to address climate change. JICA provides assistance for the development of renewable energy and introduction of energy conservation methods [→ see the Case Study on page 44]. JICA also assists in climate change adaptation measures, such as the strengthening of disaster prevention capabilities.

For example, in El Salvador, JICA will develop natural disaster–resistant infrastructure by applying the natural disaster risk diagnosis method for public infrastructure that has been accumulated through past technical assistance. This will be carried out under the Japanese ODA Loan "San Miguel Bypass Construction Project." JICA is preparing to contribute to improving disaster response capability by providing a Stand-By Emergency Credit for Urgent Recovery (SECURE), which is an ODA Loan of immediate financial support necessary for reconstruction projects after the occurrence of natural disasters.

In the field of environmental protection, the Technical Cooperation Project for Promoting Participatory Biodiversity Conservation is also in place in Costa Rica. This project is conducted in accordance with the implemented Technical Cooperation project, Participatory Management of Barra del Colorado National Wildlife Refuge Project. In the project, JICA is working on systematic categorization and verification of outcomes and experiences in order to share the efforts in Costa Rica with other Central American countries.

## Assistance for Mitigation of Socioeconomic Disparities from the Perspective of Human Security

Although countries in Central America and the Caribbean have attained a certain degree of economic development, there are still a large number of people living in poverty, with no access to basic education, health and medical services, and safe drinking water. JICA aims to achieve inclusive development in this region, where inequality is a serious issue, through capacity development of the government, communities, and residents.

JICA is conducting the Technical Cooperation Project for Maternal and Child Health in three western prefectures with high poverty ratios in Guatemala. This project aims at providing high-quality health care services to women and infants in health care facilities. JICA is also engaged in strengthening the referral system between health centers and hospitals, as well as providing training programs for assistant nurses. In addition, a database has been established to collect and manage personal information on mothers and children and data on their nutritional intake during and after pregnancy. The database helps analyze the causes of neonatal mortality. Utilizing the database, JICA will enrich training programs for nutritional improvement of pregnant women and enhance enlightenment activities in communities.

Four years after the earthquake in Haiti, the country is in transition from post-disaster recovery toward development. JICA is assisting this shift by providing the country with assistance for the improvement of basic health care services. For example, JICA is assisting the restoration of the water supply system in Leogane and also the rehabilitation of the Hospital in Jacmel, both cities that were affected by the earthquake. JICA is also jointly working with the UN Children's Fund in order to reinforce cholera prevention, as well as holding third country training programs in Morocco with the objective of developing human resources for maternal and child health care. Through these projects, JICA aims to improve and reinforce the health care services of Haiti, which presently has the lowest health indicators in the Central American and Caribbean region.

Diagnostic imaging



## Extending the Success of Medical Education Support to Five Central American Countries

For many years, JICA has carried out medical education support in the Dominican Republic. Successful outcomes have been extended to five Central American countries through JICA's third country training program. This effort has contributed to improving the health care services in these countries.

#### Training Program Emphasizing Clinical Practice

Case Study

With regard to the health index of the Dominican Republic in 1995, the infant mortality rate was 37 per 1,000 births; the under-five mortality rate was 45 per 1,000 births, and the maternal mortality rate was 110 per 100,000 women. The result is the third-lowest among the Central American and Caribbean countries, behind only Guatemala and Nicaragua.

In 1999, the Dominican-Japanese Friendship Center for Medical Education (CEMADOJA) was constructed by Grant Aid and the Technical Cooperation "Medical Education and Training Project in Dominican Republic" was also implemented for technology transfer in the field of diagnostic imaging and public health, as well as enhancement of the management capability of the center. Clinically oriented training programs utilizing advanced diagnostic imaging equipment were provided to residents in radiology and radiological technologists in the country. As a result of these efforts, CEMADOJA has received high acclaim as a training institution.

From 2005, the third country training program titled "Training for Improving Image

Diagnostic Technology for the Central American and Caribbean Regions" started inviting participants from five Central American countries: Honduras, Panama, El Salvador, Guatemala, and Nicaragua. Physicians and radiological technologists of CEMADOJA served as instructors to teach diagnostic techniques using MRI, CT, and other techniques.

Trainees from the five countries who acquired practical skills in the Dominican Republic are contributing to their countries by taking advantage of what they learned from the programs. For example, in Guatemala, the resident training program of CEMADOJA has been adopted in the internal education and research curriculum. CEMADOJA is making contributions to improving the quality of health care services in the Central American and Caribbean regions.