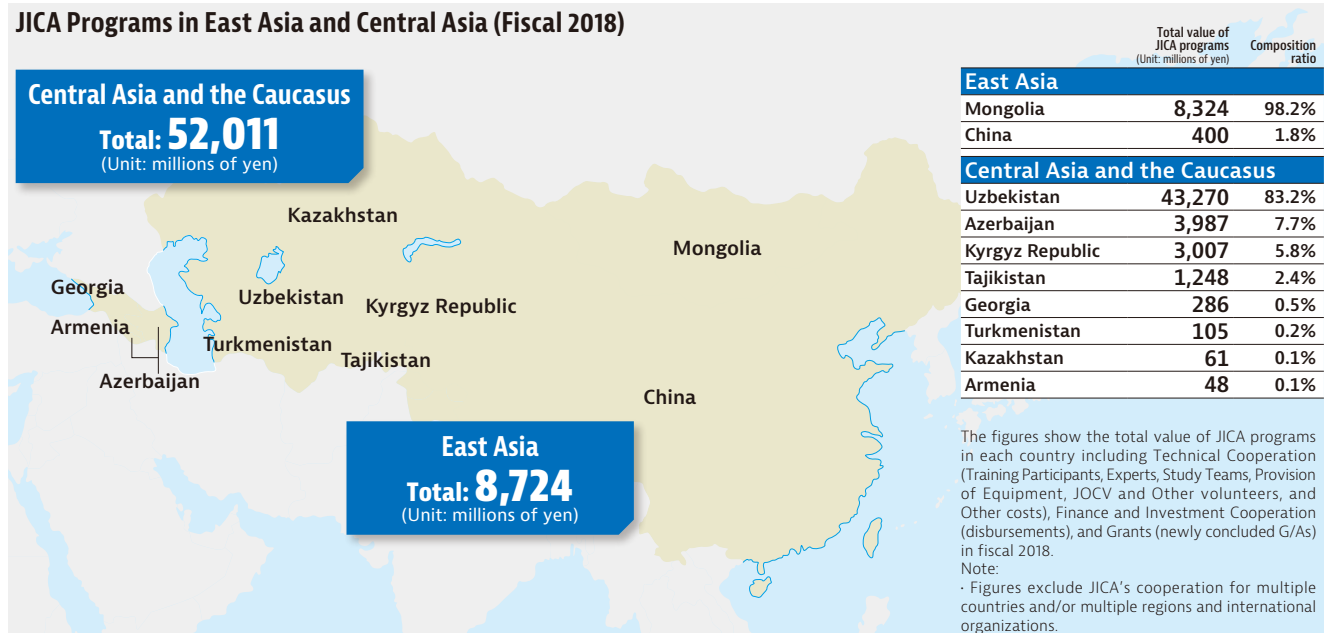


East Asia and Central Asia

Enhancing International Connectivity and Ensuring Comprehensive and Sustainable Development



Regional Issues

JICA operates ODA in 10 developing countries of the East Asian and Central Asian region: China, Mongolia, the five Central Asian countries, and the three Caucasus countries.

Nine of the countries, except China, are former socialist states and are now transitioning to market-oriented economies. Many of them have been influenced by the two neighboring major powers, Russia and China. The independence and stability of the countries in the region are supposed to benefit not only these countries themselves but also other countries concerned.

However, regional connectivity has become weaker due to conflicts of the national interests of these countries after the disintegration of the former Soviet Union. Endowed with natural resources, Kazakhstan, Turkmenistan, Azerbaijan, and Mongolia are experiencing rapid economic growth; however, their economies are vulnerable to fluctuating global commodity prices. Their fragile economic structure comes partly from their traditional monoculture economies that depend for growth on underground resources or, in the case of Uzbekistan, cotton plants.

In recent years, there is concern that sluggishness of prices of natural resource, recession of the Russian economy, and slowing Chinese economic growth will have a bad effect on the economies in the region. Tajikistan and the Kyrgyz Republic, in particular, are even exposed to the risk that the economic downturn will affect their social conditions as their economies. These two countries are not endowed with natural resources and their economies rely largely on remittances from their migrant workers in Russia and Kazakhstan.

JICA Initiatives

Since the 1990s, Japan has been engaging with the Central Asian countries and Mongolia as the top bilateral donor. These countries appreciate the contributions of Japan and have high expectations for future cooperation.

Especially, they highly evaluate human resource development cooperation such as the Project for Human Resource Development Scholarship (JDS) program, the Japan Center projects, and other Japan-based training programs for learning Japan's approaches and experience concerning development and promotion of market-oriented economies. Therefore, they expect JICA's commitment to human resource development to be continued and expanded. In recent years, some countries have mentioned a need for innovation strategies to promote economic development and thus hope to collaborate with Japanese universities.

With the three Caucasus countries, JICA will pursue activities in fields where expectations for Japan are high as a result of its existing track record of cooperation, such as disaster risk reduction in Armenia and energy fields in Azerbaijan.

The following paragraphs describe JICA's initiatives and major achievements in fiscal 2018.

1. Governance Strengthening

JICA worked with Japanese universities to train social scientists and young civil servants from Uzbekistan, Tajikistan, and Georgia. For Uzbekistan, JICA is also considering assistance for improving their investment climate by taking advantage of JICA's past assistance in legal system development.

2. Industrial Diversification

JICA launched a project for formulating a national

comprehensive master plan for Mongolia to support the balanced development of the entire country. In Tajikistan, JICA conducted a data collection survey for promoting exports and SMEs. In Uzbekistan, it started a preparatory survey in the horticulture sector aimed at industrial diversification and export promotion.

3. Infrastructure Development

As in fiscal 2017, JICA continued its contribution to enhancing connectivity and narrowing disparities in and out of the region through infrastructure development support, which covered planning and constructing airports, international roads, and power stations. With Mongolia, JICA signed a contract on a Private-Sector Investment Finance project for solar power generation—a co-financing project together with the Asian Development Bank (ADB).

4. Human Resources Development

In fiscal 2018, JICA continued to support higher engineering education in Mongolia by inviting students to Japan for study at universities and *Kosen* (Japanese-style polytechnics). The governments of some partner countries in the region requested that the quota of students from these countries who are eligible for JDS be increased. In response, JICA expanded this quota for Kyrgyzstan by two students. It is now considering such quota expansion for Tajikistan and Uzbekistan as well.

JICA will further maintain and deepen good relations with the countries in the region with a focus on the following priorities:

- Strengthening governance, diversifying industries, developing infrastructure, and developing human resources.



Engineers from a power station in Uzbekistan receiving training in Japan on how to operate and maintain a gas turbine

- In particular, initiatives that form a base for diversification of industrial activities, such as industrial human resources development. For strengthening governance, development of human resources in the fields of finance, policy, and institution.
- Quality infrastructure development with consideration for regional and inter-regional connectivity and reduction of domestic disparities.

In October 2018, the Japanese government announced that it will no longer implement any new ODA projects for China. The Chinese government highly appreciated Japan's ODA to the country over the past 40 years. The contribution by Japan's ODA to China was widely reported by the media in both countries. JICA remains committed to steadily carrying out ongoing projects which are scheduled for completion by the end of March 2022. It will also record and review Japan's ODA for China and then share such records and review findings in Japan and abroad.

Mongolia: Project for Strengthening the National Capacity of Earthquake Disaster Protection and Prevention

Strengthening disaster risk governance by taking advantage of Japan's experience and expertise



Children being briefed on a DRR backpack during a disaster drill

For the Japanese, Mongolia may not seem like a country vulnerable to earthquake disaster, but it has experienced a number of major earthquakes of around magnitude 8. Recently, active faults were found near Ulaanbaatar, the capital city.

Since 2016, JICA has been implementing the Project for Strengthening the National Capacity of Earthquake Disaster Protection and Prevention in Mongolia, the executing agency of which is the disaster management agency for the Mongolian government, namely the National Emergency Management Agency (NEMA). In this project, JICA has been supporting capacity building and disaster risk reduction (DRR) education for its personnel. Project activities include drawing up disaster preparedness and

response plans that incorporate the concepts included in the Sendai Framework for Disaster Risk Reduction 2015–2030, as well as developing school DRR education guidelines. The project has already completed the country's first white paper on DRR.

In July 2018, Ulaanbaatar hosted the Asian Ministerial Conference on Disaster Risk Reduction, bringing together some 3,000 participants from more than 50 countries. During the conference, the Mongolian government organized a seminar on city resilience and made a significant contribution to the adoption of the Ulaanbaatar Declaration—the Conference's main outcome document—in cooperation with the JICA project.