

Japan's ODA in Vietnam

~Inclusive and Dynamic Development~

Japan International Cooperation Agency (JICA)
Vietnam Office



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Table of Contents

1. Basic Data of Vietnam	1
2. Policy on Japan's ODA to Vietnam	2
3. Schemes of Japan's ODA	3
4. Records for Japan's ODA to Vietnam	4
5. Cooperation Content	
- 1 Economy and Finance	5
- 2 Transportation	6-7
- 3 Electricity	8
- 4 Industrialization Strategy	9
- 5 Industrial Human Resources	10
- 6 Urban Environmental Management	11-12
- 7 Natural Resources and Environmental Conservation	13
- 8 Disaster Prevention	14
- 9 Climate Change Responses	15
- 10 Health	16-17
- 11 Agriculture and Rural Development	18
- 12 Governance	19-20
- 13 Public Private Partnership (PPP)	21
- 14 Support Japanese SMEs to expand business in overseas countries	22
- 15 JICA's Volunteer Programs	23
Reference web page	27

1. Basic data of Vietnam

<http://www.jica.go.jp/vietnam/english/office/index.html>

Economy

- GDP (2004-2013) : 6.4%
- GDP per capita : 1,902USD(2013) ←604USD(2004)
- Japan is the fourth-largest trading partner for Vietnam next to China, the US, Korea
- Japan is the largest country as an ODA donor and a FDI investor to Vietnam

The number of Japanese people and Japanese companies in Vietnam

- Japanese : 12,254 people(2013) ← 3,877 people (2004)
- The number of Japanese companies as members of The Japan Business Association in Vietnam

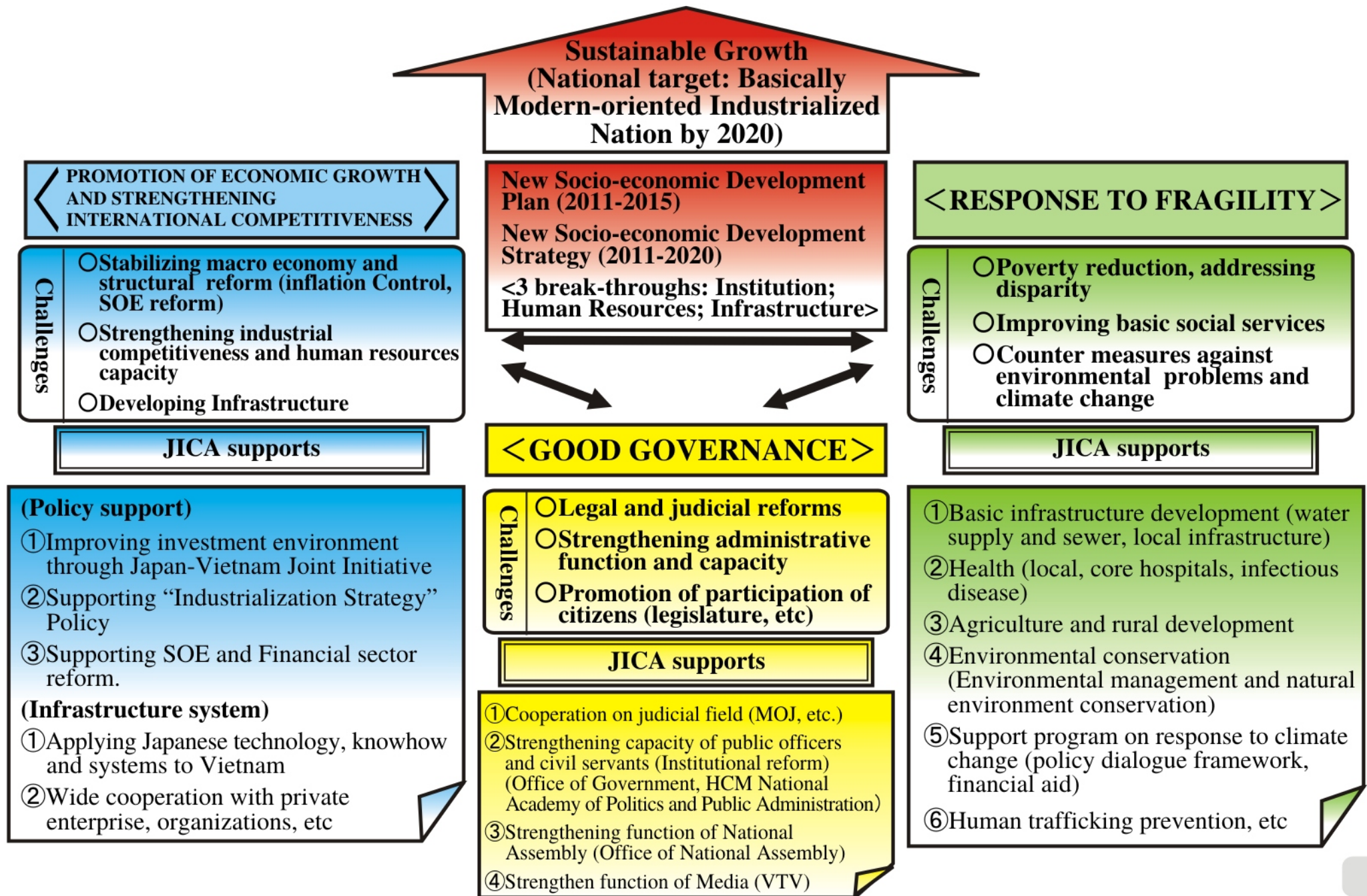
Advantages

1. Political stability
2. Cheap, young and abundant labor force
3. Good and close relationship between Vietnam and Japan. Cultural similarity
4. Geographical advantage
5. Not only production base but also the possibility as a big consumer market
6. Actively involved in developing investment environment

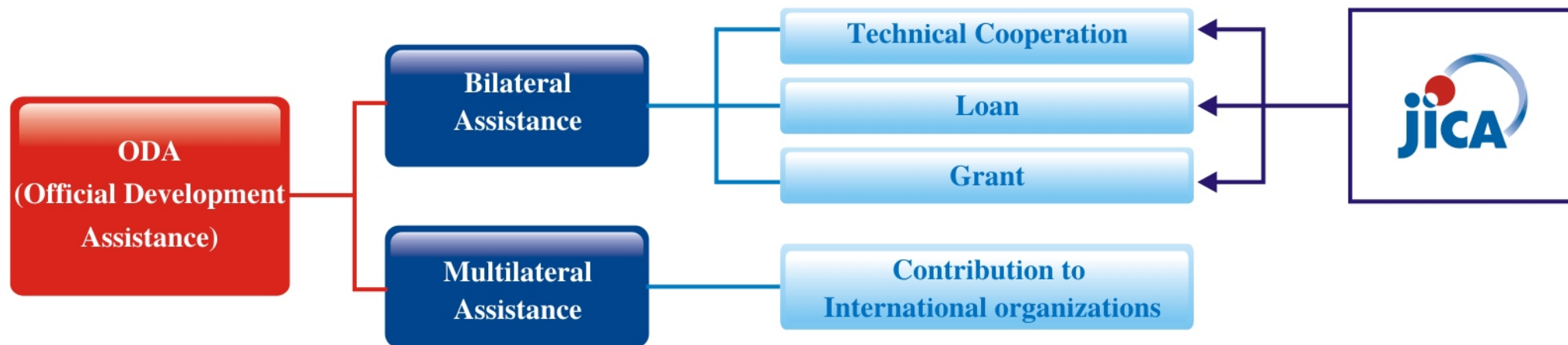
Challenges

1. Macroeconomic stability and economic growth
2. Industrial advances and development of supporting industries for Industrialization
3. Improving legal system and operation. Complexity of administration and tax procedure
4. Economic infrastructure development
5. Urban problems, widen income gap
6. Expansion of social services
7. Climate change and natural disasters

2. Policy on Japan's ODA to Vietnam



3. Schemes of Japan's ODA



Technical Cooperation (T/C)

- **Policy advice through Experts**
- **Project T/C**
Technical transfer through projects in areas such as agricultural development, health, etc
- **Grass-root T/C**
Support for cooperation activities of NGOs, universities, municipalities, etc
- **Training program**
Training in Japan and other countries

- **Japan Overseas Cooperation Volunteers (JOCV)**
<Areas>
Rural development, health, environment, Japanese language, etc
- **Senior volunteer (SV)**
<Areas>
Human resource development for supporting Industries, etc

Financial Aid

- Loans**
- **ODA loans**
Provide long-term and low-interest loans to infrastructure development for transportation, energy, water environment, etc

(Standard terms and conditions of loans)
- Repayment period: 30 years
- Grace period: 10 years
- Interest rate: 1.4%
 - **Private Sector Investment Finance (PSIF)**
Supports for the business of private enterprises in developing countries through the provision of loans and equity

- Grant**
- **General projects**
for health, education, environment, disaster management, climate change, etc
 - **Grass-root Human Security Projects**
for small-scale Projects by NGOs, municipalities and others

4. Records for Japan's ODA to Vietnam

Financial Aid

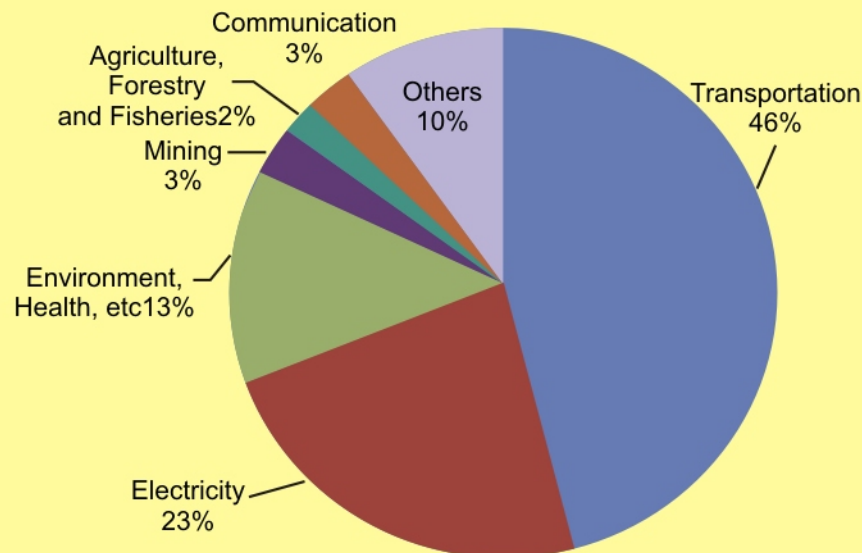
Record for financial aid

(Billion Yen)

	Loans (approved amount)	Grant (approved amount)
2011	270	5.5
2012	175	1.2
2013	165.6	0.4

Distribution by sector

Cumulative total amount approved
2180 billion Yen from FY 1992 to 2013.



Technical Cooperation

Total number of experts : 8,254 persons
(from FY 1992 to 2013, includes consultants)
dispatched to ministries and universities such as:
MPI, MOT, MARD, MOH, MONRE, MOLISA,
SBV, MOF, MOJ, HUST, HUI, etc

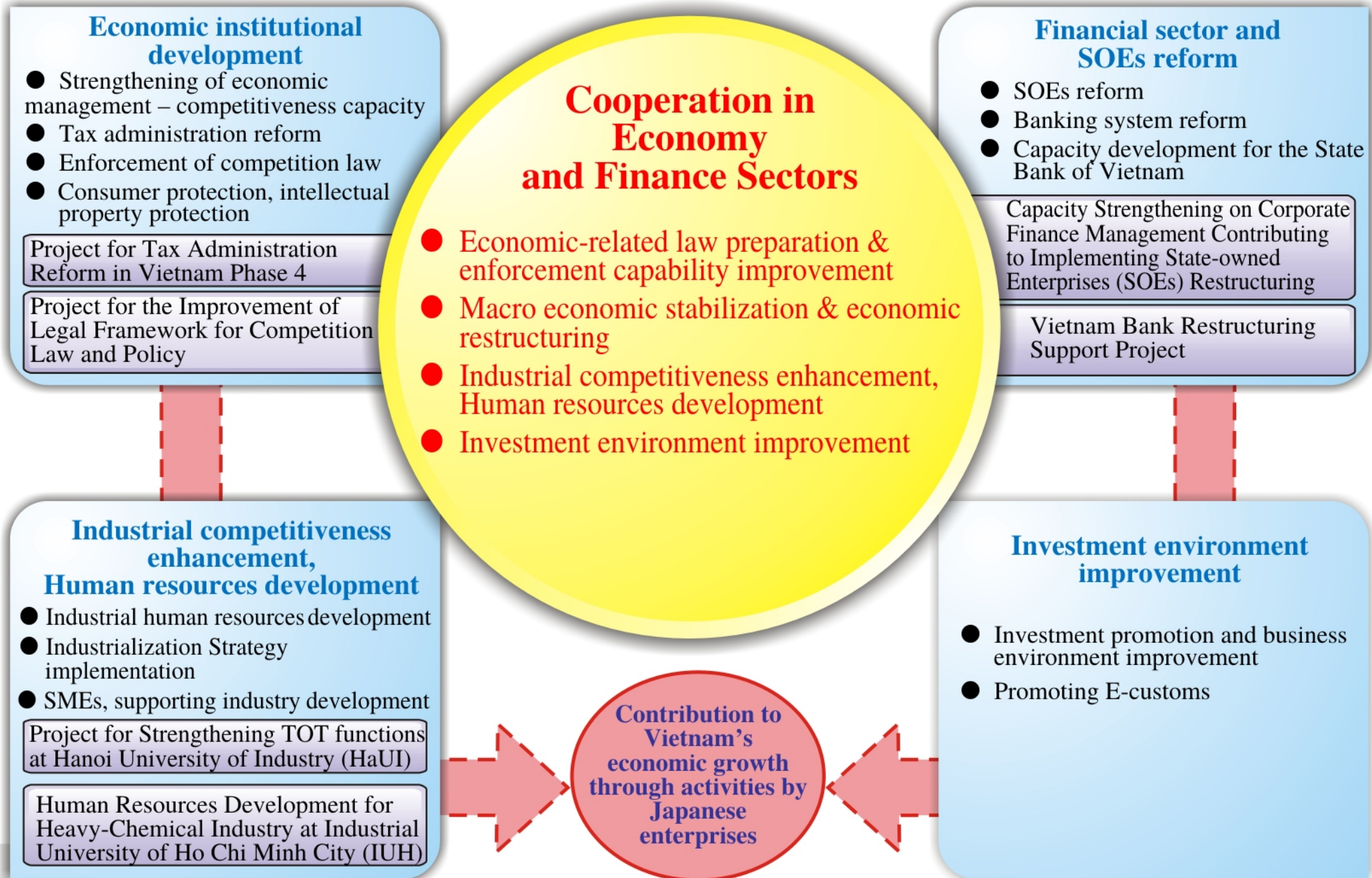
Areas of cooperation:
Health, Agriculture development, Afforestation,
Monetary policy, Investment promotion, Industrial
human resources, SMEs, Environment,
Climate change, etc

Reception of trainees: 21,165 trainees
(from FY 1992 to 2013)
(In Japan: 10,702 people; In other country: 10,463 people).

Volunteers

Total number of volunteers dispatched: 498 people
(from FY 1992 to 2013) (In 2013: 34 volunteers)
(JOCV 361 people SV 137 people)

Areas of Cooperation :
Health, Rural development, Environment,
Industrial human resources, Supporting industries,
Japanese language, etc



Construction of basic transportation infrastructure

- Construction of the main North-South expressway
- Construction of deep-sea port
- Construction of airports in big cities

Terminal 2 Construction Project at Noi Bai International Airport



Noi Bai International Airport Terminal 2

Support through technical assistance

- Establishment of urban railway operation and management company
- ITS application
- Preparation for safe aviation system

Establish Operation and Maintenance of Metropolitan Railway Lines in Hanoi City

Priorities of Transportation Sector

- Response to urgent increase in traffic due to economic growth
- Response to fast urbanization and urban transportation problems.
- Transport safety policy, accumulation of facility maintenance management knowhow, strengthening capability

Construction of urban transportation infrastructure

- Construction of urban railway system
- Construction of bridges
- Construction of bypass, ring road

HCM Line 1 Urban Railway Project

Hanoi City Ring Road No.3 Construction Project



Hanoi City Ring road 3



Nhat Tan Bridge (Japan-Vietnam Friendship Bridge)

Typical examples

Financial and technical support for building urban railways

~ Apply soft and hard technology from Japan ~

- Promote urban railway construction as a solution for urban transportation as populations increase in Hanoi & HCM cities
- Financial assistance to construct prioritized railways (Line 1 and 2 in Hanoi city, Line 1 in HCM city)
- Technical assistance to establish railway operation and maintenance companies and toll collection system (transferring experiences and knowhow from Tokyo Metro and Osaka municipal subways)

Use Japanese technology and knowhow to optimize “soft” and “hard” cooperation

~ Export infrastructure system ~



Hanoi City Urban Railway Line 1
Ngoc Hoi Depot Complex



HCM City Urban Railway Line 1

Development of power sources

- Construction of hydro power, thermal power plant
- Development of power sources in the South
- Increase efficiency of power transmission and distribution

Power transmission and distribution network development project

O Mon thermal power plant Unit 2 construction project



O Mon thermal power plant

Installed capacity of Japan's ODA supported power plants accounts for 10% of total installed capacity in the whole of Vietnam (in 2012). It is expected to reach 4,650MW when future power plants go into operation.

Priorities of Electricity sector

- Response to tight supply and demand due to absolute shortage of generation capacity (especially in the South)
- Decrease losses in power transmission
- Promote energy saving policy and decrease energy consumption
- Private fund's participation in power development

Promote energy saving

- Make master plan
- Establish energy management training center
- Energy saving labeling policy

Establishment of Energy Management Training Center

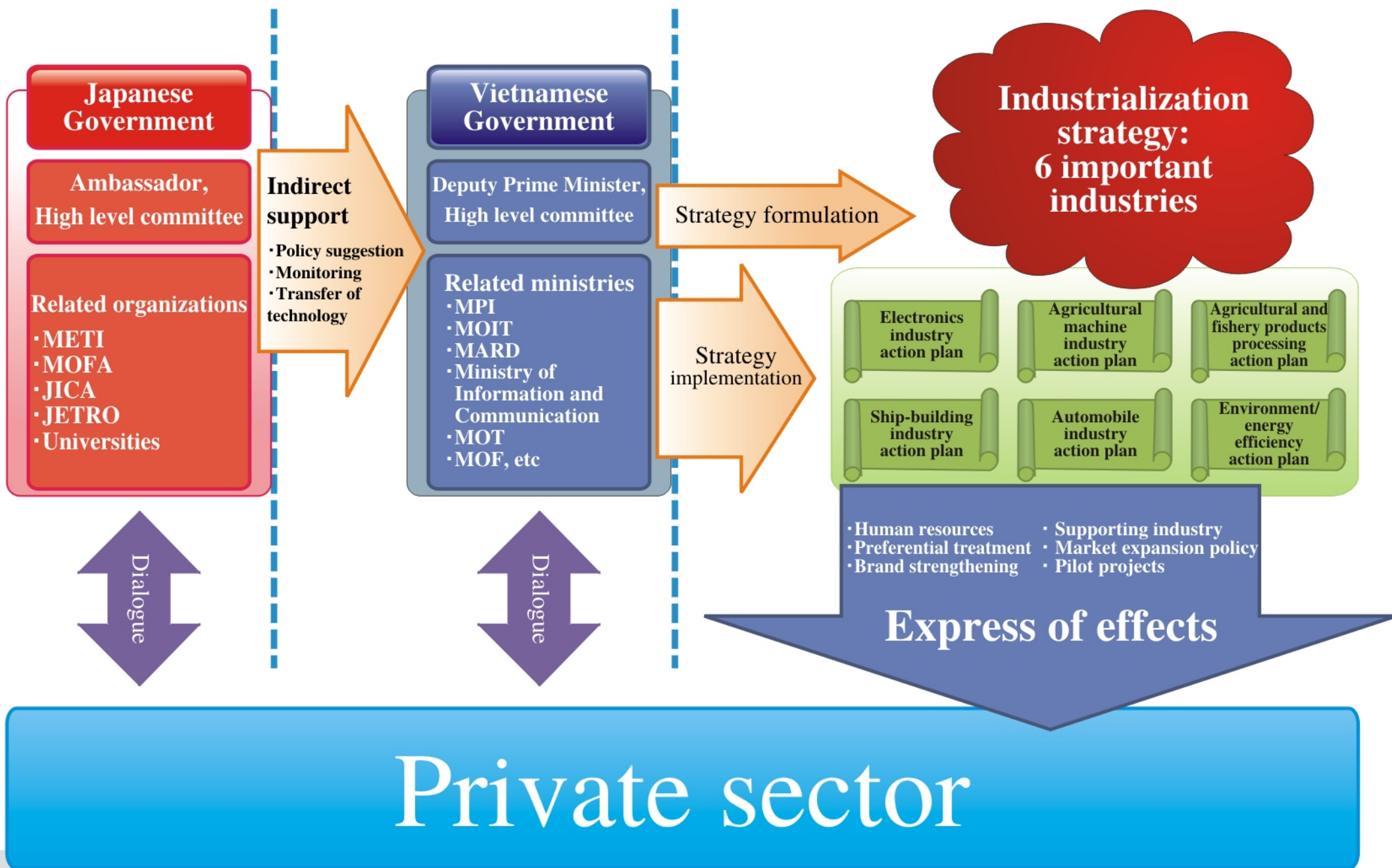
Promote private sector's participation

- To promote power sources development by BOT/IPP method, diversify the investors in power sector through construction of common facilities of power generation complex.

Thai Binh Thermal Power Plant and Power Transmission Construction Project

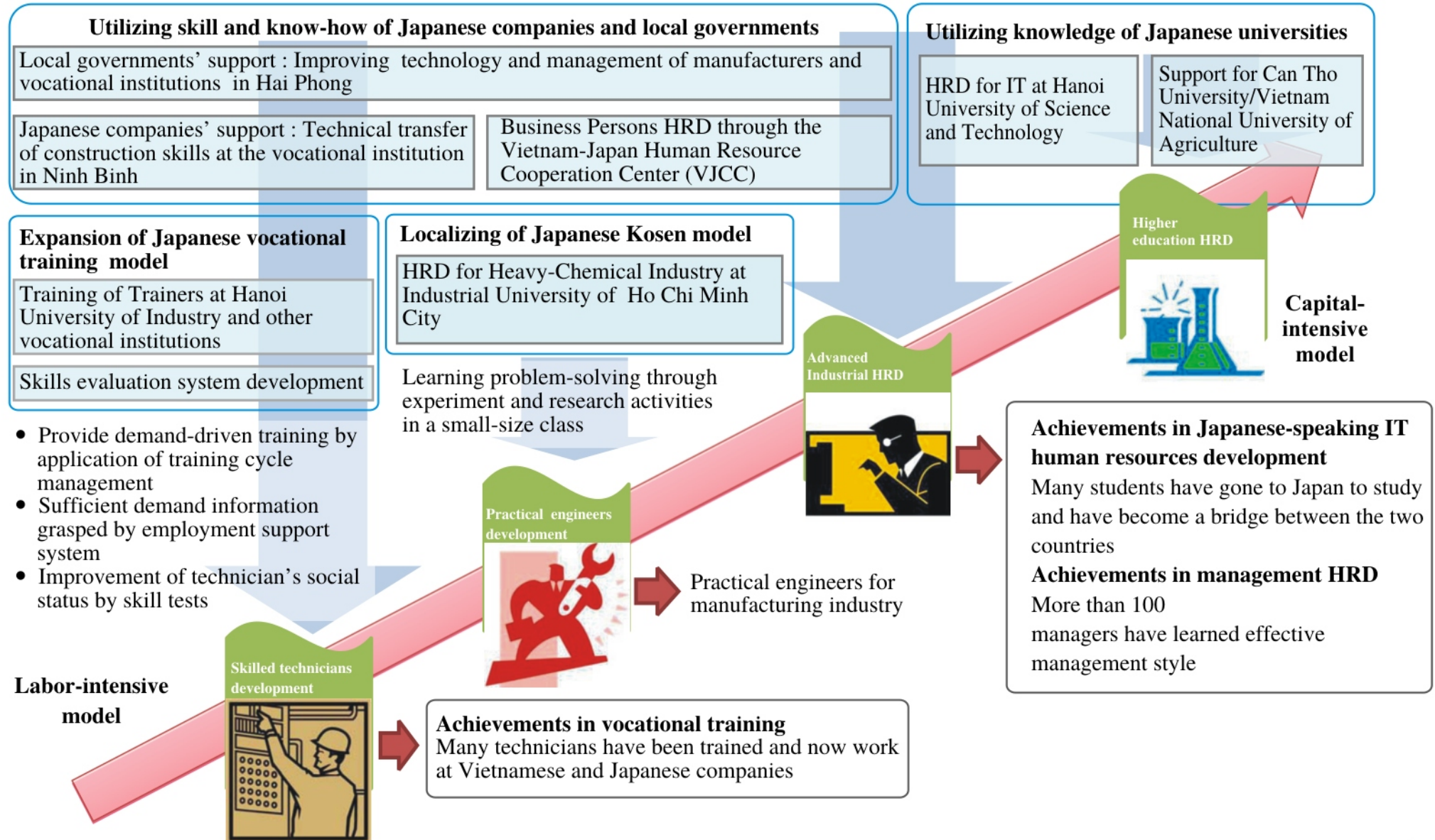
5-4 Industrialization strategy (become an industrialized country by 2020)

<http://www.jica.go.jp/vietnam/english/office/index.html>



5-5 Industrial human resources development

Support corresponding to industry development stages



Support for the environmental legal frameworks

- Amendments of the Law on Environmental Protection
- Review & improvement of legal framework for management of toxic chemicals
- Improvement of the EIA system

Environment policy advisor

Support for capacity development of waste management

- Review & improvement of legal and institutional frameworks
- Support for integrated waste management planning
- Institutional & human resource capacity development

Hai Phong City Environmental Improvement Project

The Project for Capacity Development on Integrated Management of Municipal Solid Waste

Challenges of urban environmental management sector

- How to reduce environmental damages/costs caused by economic growth and urbanization: Need to balance both environmental management and economic growth
- Need to develop or improve the environmental institutional frameworks in line with international standards
- Need to strengthen capacity of law enforcement

Support for capacity development for water environment management

- Construction of waste water treatment facilities & human resource development for operation and maintenance
- Review & improvement of the relevant legal system and regulations
- Strengthening of law enforcement capacity

Project for Institutional Development for Green Growth Implementation and Strengthening of Environmental Management System towards

The Project for Strengthening Capacity of Water Environmental Management in River Basin

Support for capacity development for air pollution management

- Review & improvement of legal and institutional frameworks
- Support for air quality management planning

Project for Institutional Development of Air Quality Management in Vietnam

Advisor for Hazardous Air Pollution Measures

Typical examples

Toward economic development with environmental conservation ~Supporting the conservation activities in the world heritage site: “Ha Long Bay”~

- Ha Long Bay located in Quang Ninh Province, in northern Vietnam, is a popular sightseeing site registered as one of the World Heritage sites. Meanwhile, there is a serious concern about the pollution at the heritage site, caused by tourism and industrial development.
- JICA supported the activities to achieve sustainable development, both by improving transport infrastructure and strengthening water environment management.

(Activities)

Development for environment monitoring, inspection, and management of the source of pollution

Of land use management in the coastal corridor area for environment conservation

Development in policy making for sustainable tourism in Ha Long Bay

Of environment education and PR to relevant agencies, and dissemination of project achievements



Reclaimed land in Ha Long Bay

Training on water collection and water quality monitoring at Ha Long Bay



5-7 Natural resources and environmental conservation

<http://www.jica.go.jp/vietnam/english/office/index.html>

Policy formulation and implementation

- Capacity building for policy formulation and implementation
- Policy formulation and implementation by climate change program loan

Advisor for forest program

Climate Change Program Loan

Promote sustainable forest management

- Protection of afforestation and forest management
- Forest management with citizen participation
- Capacity building for afforestation plan and coastal afforestation

Protection of Forests Restoration and Sustainable Management Project

Project for Sustainable Forest Management in the Northwest Watershed Area

Priorities of Natural resources and environmental conservation sector

- Strengthening policy formulation and implementation
- Building policy for sustainable forest management, capacity building, promoting citizen participation
- Conservation of biological diversity through effective management of important natural areas.
- Contribute to measures against global warming by increasing forests' CO₂ absorption

Enhance biodiversity conservation

- Capacity building for National Park management
- Development of biodiversity information

Project for Strengthening Community-based Management Capacity of Bidoup-Nui Ba National Park

Development of the National Biodiversity Database

Climate change measures

- Promote policy and institution of REDD+
- Implement REDD+ pilot project at provinces

Dien Bien province REDD+ pilot project

(REDD+: Reducing emissions from deforestation and forest degradation, conservation of forest carbon stocks, sustainable management of forests, and enhancing forest carbon stocks in developing countries' forests)

Capacity building for disaster prevention administration

- Collect, share and utilize timely and accurate hydro-meteorological data
- Integrated flood management plan
- Improve water-level management capacity at dams and rivers

Project for Strengthening Capacity in Weather Forecasting and Flood Early Warning System

Community level Preparation for disaster prevention systems

- Build up disaster prevention plan
- Support for disaster prevention training and education
- Urgent response when natural disasters occur

Project for Building Disaster Resilient Societies in Vietnam (phase 2)

Development and Implementation of Disaster Education Programs in Hue City

Disaster prevention issues

- Reduce wind/flood damage caused by tropical cyclone
- Integrated management of flood risk based on accurate data
- Reduce risk by disaster prevention systems with citizen participation
- Disaster prevention infrastructure building

Preparation of disaster prevention infrastructure

- Support the hard infrastructure building for disaster prevention in tandem with soft infrastructure (disaster prevention system/structure)

Development of Landslide Risk Assessment Technology along Transport Arteries in Viet Nam



Town residents learn about disaster risks

Policy and financial support

- Promoting the implementation of policies related to climate change responses
- Implementing related policies by the program loan, Support Program to Respond to Climate Change (SPRCC)

Advisor for climate change support program



Inundated houses in the central Vietnam

Support for adaption measures

- Disaster prevention and risk management of communities in the central Vietnam
- Improvement of the urban drainage system and its technical cooperation
- Natural disaster prevention and risk management through forest conservation activities

Project for the Development of Human Capacity for Weather Forecasting and Data Analysis for the Establishment of end-to-end early Flood Warnings

Challenges in climate change response sector

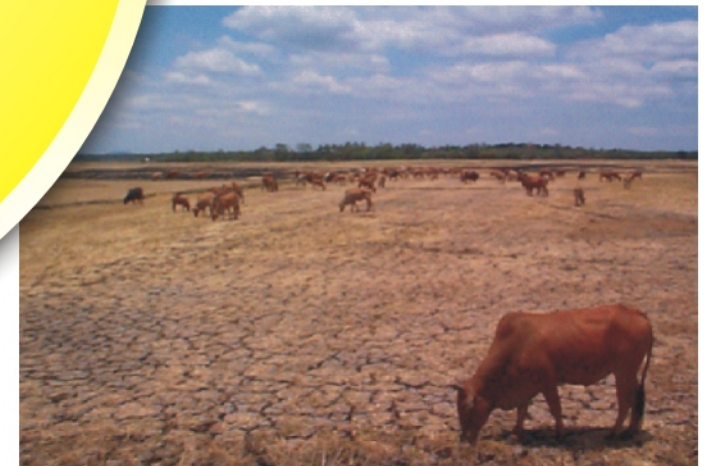
- How to reduce the adverse effects of climate change (e.g. on the Mekong Delta, typhoons, etc)
- How to manage increasing energy consumption, and how to mitigate greenhouse gas emissions

Support for mitigation measures

- Formulation and implementation of the Nationally Appropriate Mitigation Actions (NAMA)
- Promotion of implementation of energy saving policy
- Strengthening the institutional management of forestry

Project to Support the Planning and Implementation of NAMAs in a MRV Manner

Project on Sustainable Forest Management in the Watershed Areas in Northwestern Vietnam



Drought in the southern Vietnam

Development of human resources and strengthening the regional medical system

- Disseminate medical techniques and knowhow from core hospitals to regional and provincial hospitals
- Strengthen operation of the training system and referral system at provincial hospitals

Project for Improving the Quality of Human Resources in the Medical Service System

Project for Strengthening Medical Services in Northwest Provinces



Group work at the training course organized by the Project for Improvement of the Quality of Human Resource in Medical Service System

Priorities of the health sector

- Improve the regional medical system
- Increase the quality and quantity of medical staffs
- Infectious disease control and promote preventive medicine
- Strengthen health financing to tackle the challenges of an aging society

Improve health facilities

- Improve infrastructure and medical equipment at core hospitals
- Supply medical equipment for regional and provincial hospitals

Regional and Provincial Hospital Development Project (Phase 2)

Infectious disease control

- Establish vaccine production plant
- Transfer technology related to vaccine manufacturing
- Establish bio-safety level 3 laboratory and strengthen examination techniques for highly hazardous pathogens

The Project for Strengthening Capacity for Measles-Rubella Combined Vaccine Production

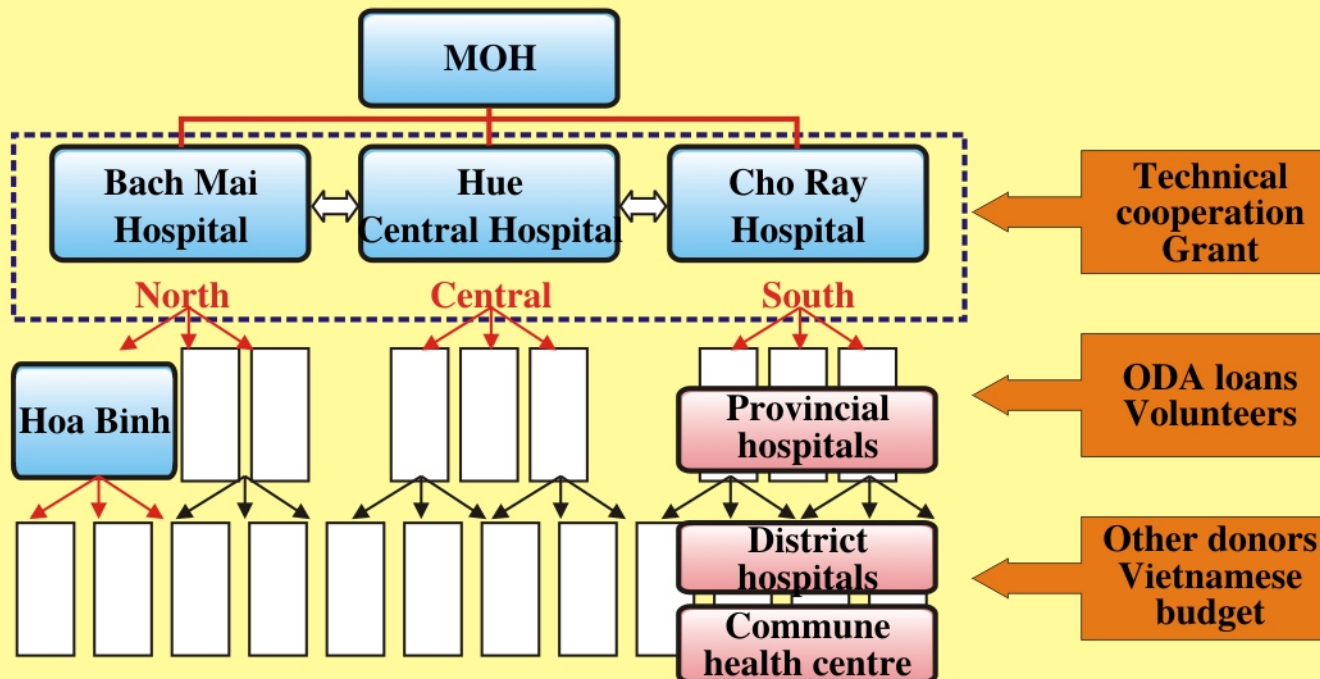
Typical examples

Perform from point to board ~ Disseminate cooperation results from core hospitals to provincial hospitals ~

- ① JICA has supported work to improve infrastructure and medical staffs at 3 core hospitals, namely: Bach Mai Hospital in the North; Hue Central Hospital in the Central region, and Cho Ray Hospital in the South through grant aid and technical cooperation during many years.
- ② To disseminate accumulated cooperation results at these core hospitals, JICA is supporting core hospitals to train doctors and nurses at provincial hospitals. Moreover, JICA provides ODA loans to regional and provincial hospitals for procurement of medical equipment as well as dispatches of volunteers (nurses, midwives).



Bach Mai Hospital



- **Bach Mai Hospital 1998~**
Construction of hospital ward and provision of medical equipment (grant aid); Support for human resources development and training
- **Hue Central Hospital 2004~**
Construction of hospital ward and provision of medical equipment (grant aid); Support for human resources development and training
- **Cho Ray Hospital 1970~**
Construction/repair of hospital ward and provision of equipment (grant aid); Support for human resource development and training

Increase quality and safety

- Improve crop varieties
- Strengthening Capacity of Inspection and safe crop production

Management of Vietnam Crop Production Sector for improving Productivity and Quality of Crop's Product

Project for the Development of Crop Genotypes for the Midlands and Mountainous Areas of North Vietnam

Basis for agricultural activities

- Development of agricultural infrastructure such as irrigation and rural roads
- Policy for management of water users' association and others
- Strengthening function of agricultural cooperatives

Small-Scale Pro Poor Infrastructure Development Project

Project for Enhancing functions of agricultural cooperatives

Challenges in agriculture and rural development

- Balanced development of urban and rural areas
- Improvement of quality and safety of agriculture, forestry and fisheries products
- Improvement of livelihoods and living environment in rural areas
- Development of agricultural infrastructure
- Additional value for agricultural products

Establishment of Value Chain

- Market oriented Agriculture Production and Processing
- Improvement of Investment Environment for Agriculture
- Dissemination of Contract Agriculture

Formulating Projects in Nghe An Province, Lam Dong Province and Mekong Delta



Farmers are learning how to plant wild peanuts

Improve the administrative system, strengthen training for civil servants

- Enhance capacity of government officers, Party members, civil servants
- Promote civil service reform
- Strengthen capacity of Office of Government policy formulation

Project for Strengthening Capacity of Ho Chi Minh National Academy of Politics and National Academy of Public Administration in Training of Public Leaders and Civil Servants

Strengthening Capacity of the Office of the Government



Image of Seminar in Hai Phong City
People's Procuracy

Governance Sector Issues



Legal and judicial reforms Strengthening capacity of institutions and human resources

- Draft and revise Civil Laws, Procedure Laws, etc
- Improve application and enforcement of legal documents
- Improve national-wide monitoring and guidance capacity of central judicial authority

Technical Assistance for the Legal and Judicial System Reform

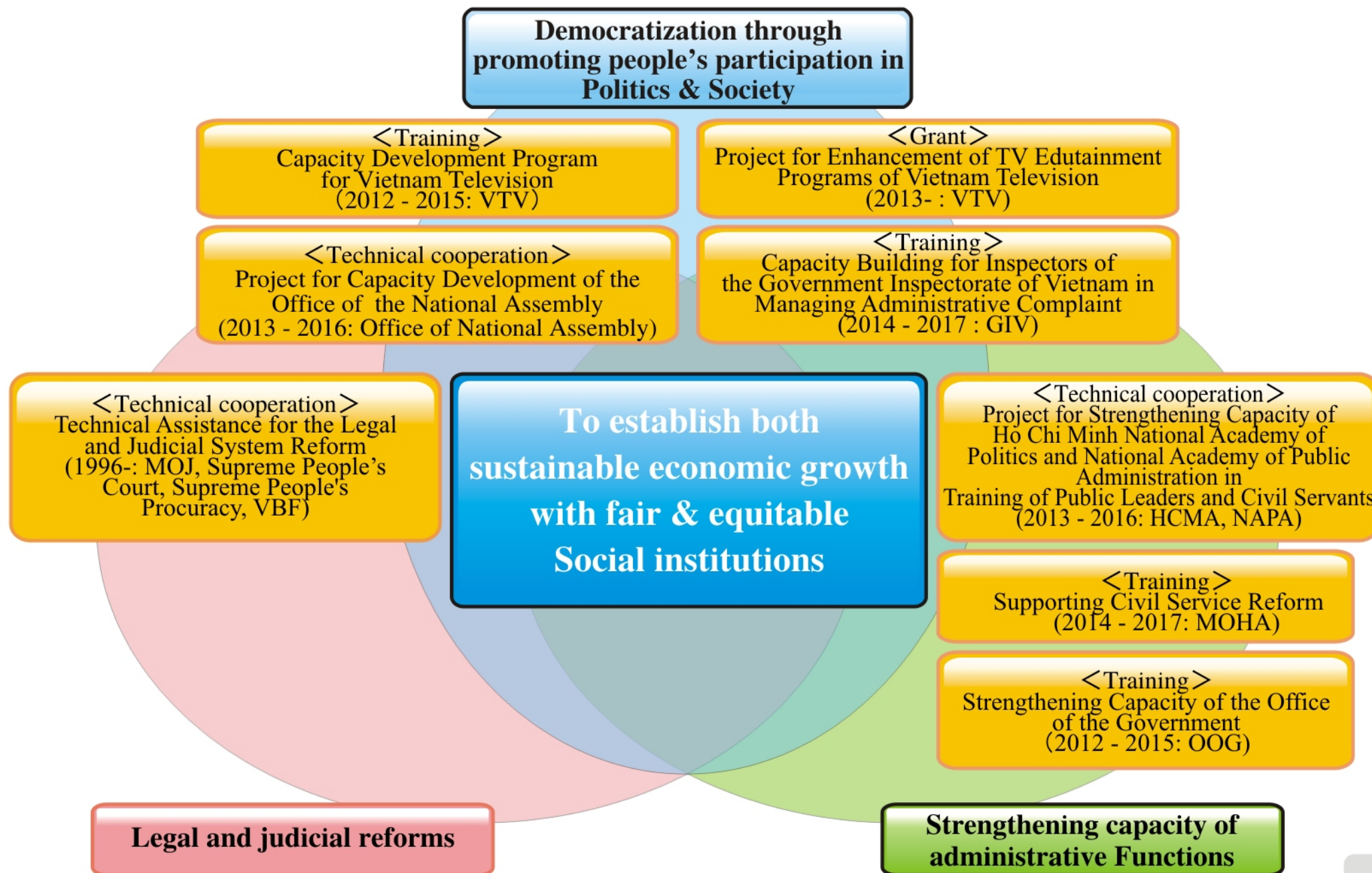
National Assembly, Media

Promoting participation of citizens in politics from point of view on supporting democratization

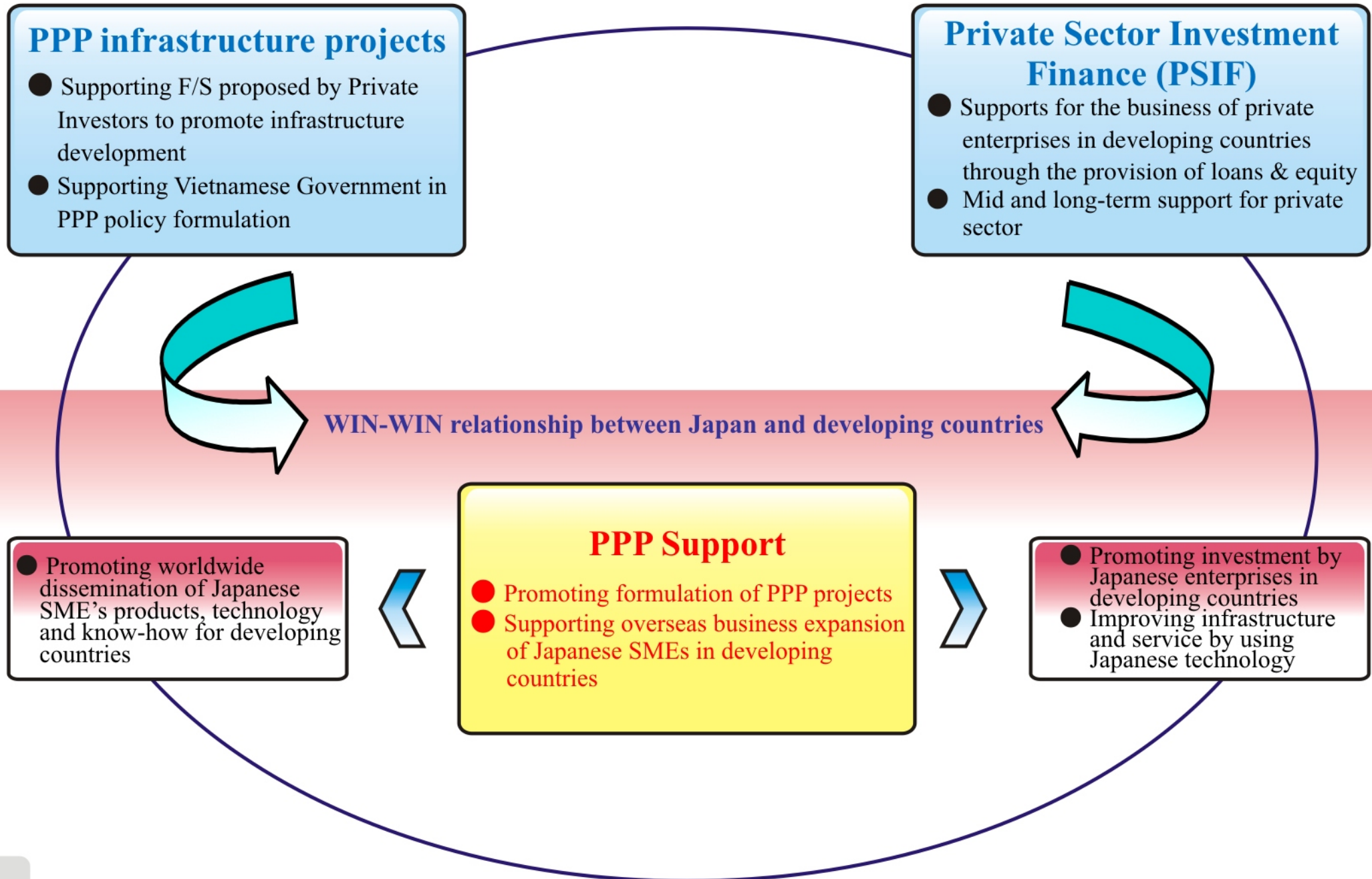
- Strengthen the National Assembly's legislative and administration surveillance functions
- Enhance public broadcasting programs

Capacity Development Program for Vietnam Television (VTV)

Capacity Development of Office of National Assembly



5-13 Public Private Partnership (PPP)



Support the coordination of Vietnam's development issues with Japanese SMEs' products and technologies



Demonstration of solution to avoid leakage of hazardous object

Promote the business expansion of SMEs in overseas countries
Promote the activation of regional economy in Japan



Demonstration of system to provide safe water to local residents

Support
socio-economic
development

Deepen mutual
understanding
and friendship

Share experiences
gained in Vietnam for
the future society

Japanese citizen participation
programs

Grass-roots level cooperation

JICA volunteers have been actively getting involved in a wide range of fields such as regional development, health care, industrial development, Japanese language education, etc.. They speak Vietnamese, live and work together with Vietnamese people towards development.



(Photo: KATO Yuki/JICA) ※JOCV :Applicants from the age of 20 to 39.

☆ 50th anniversary of JICA Volunteer
Program - since 1965

☆ 20th anniversary of Volunteer Dispatching
to Vietnam - since 1995

Japan Overseas
Cooperation Volunteer
(JOCV) in occupational
therapy is conducting
rehabilitation with a smile.

Senior Volunteer (SV) in
mining management is
doing safety checking
with counterpart .



※SV :Applicants from the age of 40 to 69. (Photo: KATO Yuki/JICA)

Japan's ODA (Ministry of Foreign Affairs)

(J) <http://www.mofa.go.jp/mofaj/gaiko/oda/index.html>

(E) http://www.mofa.go.jp/policy/global_and_oda.html

JICA

(J) <http://www.jica.go.jp/>

(E) <http://www.jica.go.jp/english/index.html>

JICA Vietnam office

(J) <http://www.jica.go.jp/vietnam/office/index.html>

(E) <http://www.jica.go.jp/vietnam/english/index.html>

JICA Library (Report & Book Database)

(J) <http://libopac.jica.go.jp/top/index.do?method=change&langMode=JPN>

(E) <http://libopac.jica.go.jp/top/index.do?method=change&langMode=ENG>

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