

6 Latin America and the Caribbean

The Latin America and the Caribbean region is an enormous market, having a population of 600 million and a regional GDP of approximately \$5.6 trillion as of 2015, which makes it an important region in terms of trade strategy. The region has steadily enhanced its presence in the international community through the consolidation of democracy, and also as a supplier of iron ore, copper, silver, rare metals, crude oil, natural gas, biofuels, and other minerals and energy resources, as well as food resources. Moreover, this region traditionally has strong personal and historical ties with Japan, as represented by the existence of over 2.13 million Japanese descendants called “Nikkeis” in

<Japan's Efforts>

The Latin American and the Caribbean region is prone to natural disasters such as earthquakes, tsunamis, hurricanes, and volcanic eruptions. Therefore, Japan's assistance for this region, utilizing Japan's knowledge and experience in the field of disaster risk reduction, is of great importance. Japan has provided a cumulative total of more than \$260 million for reconstruction support to Haiti, which suffered catastrophic damage from the huge earthquake with a magnitude of 7.0 that occurred in 2010, as well as assistance that utilizes Japan's expertise in the disaster risk reduction field to Caribbean countries, and countries facing the Pacific Ocean including Mexico where earthquakes frequently strike. Furthermore, the Project on Capacity Development for Disaster Risk Management in Central America named “BOSAI,” which aims to share expertise of disaster risk reduction and reduce disaster risks at the local community level, has achieved significant results in the region.

The huge earthquake that occurred in September 2017 (magnitude 7.1) hit a wide region including Mexico City, the capital of Mexico. This earthquake resulted in 369 fatalities (as of October 6, 2017, local time) and serious human and property damage. In response to a request from the Government of Mexico, the Government of Japan decided to dispatch a Japan Disaster Relief (JDR)



A JDR team member and a rescue dog engaged in search and rescue operations in the aftermath of the earthquake that struck Central Mexico in September 2017 (Photo: JICA)

the region. Japan has maintained stable and friendly relations over a long period with this region.

Although the average income level in the region is relatively high among ODA recipient countries, the region is characterized by significant income disparities between the rich and the poor as well as a large number of people who suffer from poverty. In addition, while it is a region with a rich natural environment such as the Amazon Rainforest, it is also vulnerable to natural disasters such as earthquakes and hurricanes. Therefore, it is also important to make effort to address environmental issues, climate change and disaster risk reduction.



Emergency relief goods arrived in Commonwealth of Dominica in September 2017, for the people affected by the hurricane disaster

Search and Rescue Team composed of 72 members to engage in search and rescue operations for missing persons. This team conducted search and rescue activities in three locations of the affected areas in the central part of Mexico City. In addition, Japan also supplied emergency relief goods to Caribbean countries, including Antigua and Barbuda, Commonwealth of Dominica, Cuba, and others, that had been damaged by successive hurricanes.

In recent years, the Latin America and the Caribbean region have been drawing attention as a manufacturing base and a market, and many Japanese companies have been expanding their businesses to this region. After holding a training session on cardiac catheterization techniques for physicians in Mexico in 2011, Japan has held the same training also in Argentina, Colombia, and Brazil from 2014 to 2016. Through this training, further dissemination of Japanese companies' techniques across the Latin American and the Caribbean region is expected. In addition, from the perspective of laying the foundation for the economic development of Latin American and Caribbean countries, Japan has been actively implementing infrastructure development in the metropolitan and rural areas. In this respect, the Government of Japan has decided to provide grant aid to Paraguay for the procurement of a dredge ship and equipment, an ODA loan to Nicaragua for bridges and

national road construction project, and grant aid to Bolivia for disaster risk reduction measures for its national roads.

Japan has been providing cooperation on a wide range of environmental issues in the region, including assistance for scientific and technological research on climate phenomena, conservation of biodiversity, broad-range evaluation of carbon dynamics¹¹ in the Amazonian forests, and construction of waste disposal facilities. In the area of renewable energy, which has been receiving wider attention in recent years, Japan has provided support for introducing solar power generation in many countries, as well as for constructing geothermal power plants in Costa Rica, Bolivia, and elsewhere. It has also decided to provide an ODA loan to Jamaica to promote the introduction of energy-saving measures.

Japan also provides various kinds of cooperation for Latin American and Caribbean countries in the fields of medical and healthcare. In the Central American region, Japan has provided cooperation for the development of pre-hospital medical consultation systems and the dissemination of medical technology, as well as technical support to tackle challenges in maternal and child health, including the reduction of the maternal and infant mortality rate. In the area of sanitation, Japan has also conducted numerous projects to assist in the construction and improvement of water and sewer systems in order to ensure the supply of safe drinking water and to promote the recycling of domestic water. In Honduras, Japan decided to provide support for the development of waterworks facilities. In 2016, Prime Minister Abe visited Cuba and expressed Japan's commitment towards strengthening economic cooperation. As a specific outcome of the visit, in March 2017, Japan signed an Exchange of Notes for the provision of equipment to strengthen Cuba's rice seed production capacity, which marks the second large-scale grant aid following the grant aid for the medical sector in 2016. Japan also provides cooperation in the environmental sector, including the provision of equipment for waste disposal.

Assistance in the field of education is extremely important for Latin American and Caribbean countries, because of the existence of poverty and the insufficient educational budget.



Students at a primary school in the El Mestizo district of Ilobasco city, which was built in August 2016 through Japan's Grass-Roots Grant Assistance Project (Photo: Florence Basagoitia / Embassy of Japan in El Salvador)



Ms. Masumi Teruya, a member of the Japan Overseas Cooperation Volunteers (Preservation of Cultural Properties), explaining to primary school students on a social studies excursion to the Archaeological Site of Kuntur Wasi, located in the northern part of Peru (Photo: Juan Cabanillas Escalante)

Japan has provided support for building basic educational facilities including the Project for Construction of Basic Schools in Centre and Artibonite Departments in Haiti, as well as dispatched volunteers to improve the capacity of teachers. Such efforts are highly appreciated by the local communities.

For Caribbean countries, Japan has made many efforts to overcome their vulnerabilities particular to Small Island Developing States (SIDS) in the fields of climate change and natural hazards, taking into account different perspectives other than per capita income level. In the field of the environment and disaster risk reduction, Japan has supported the development of disaster-resilient bridges and emergency communications systems, as well as the provision of equipment that contributes to the enhancement of disaster response capabilities. In addition to the above, Japan has been implementing projects such as region-wide grant aid on climate change and technical cooperation on disaster risk reduction in the eight Caribbean countries. In the fisheries field, Japan has been contributing to promoting the sustainable use of limited living marine resources by improving facilities and dispatching experts.

The examples of achievements among development cooperation lasting many years are the joint cooperation with Brazil, Mexico, Chile and Argentina. These four countries have come to obtain the capacity to assist other countries, and achieved results in South-South cooperation.* Furthermore, Japan has signed partnership programs with these countries. For example, Japan worked together with Brazil to provide agricultural development cooperation for Mozambique of Africa in the form of triangular cooperation.* Japan also plans to collaborate with Argentina to provide assistance to small and medium-sized enterprises (SMEs) in Latin America as well as Africa. In Chile, Japan is conducting human resources development programs for a target number of 4,000 people through triangular cooperation, in order to contribute to disaster risk reduction in Latin American countries.

Japan has cooperated with the Central American Integration System (SICA), the Caribbean Community (CARICOM), and other regional organizations to formulate

Note 11: Changes in the amount of carbon in a given period

wide-ranging projects in order to achieve more effective and efficient development cooperation related to development issues throughout Latin America and the Caribbean.

For Colombia, where internal conflict has lasted for more than half a century, Japan has been implementing assistance in the peacebuilding field, including the removal of landmines and support for victims. In June 2017, Japan decided to provide grant aid to cover the supply of landmine removal equipment, while taking into consideration the progress of the peace process.

Under public-private partnership (PPP), Japan has

endeavored to introduce Japanese Integrated Services Digital Broadcasting-Terrestrial (ISDB-T) standards for terrestrial digital TV. As of December 2017, this system has been adopted by 14 Latin American countries. Japan has supported these countries by transferring technology and training experts to enable the smooth implementation of the system. Japan has also continued to provide support to Nikkei communities in the respective Latin American countries by assisting welfare facilities, accepting trainees, and dispatching volunteers for Nikkei communities.

Glossary

***South-South cooperation (Triangular cooperation)**

South-South cooperation refers to cooperation provided by relatively advanced developing countries to other developing countries, utilizing their experiences in development and their own human resources. In many cases, the cooperation, primarily technical cooperation, is conducted in countries that have similar natural environments and cultural and economic circumstances, and/or facing similar development challenges. Support by donors or international organizations for cooperation between developing countries is referred to as "triangular cooperation."



The Project on Improvement of Agricultural Extension System for Grain Production in Cuba

Technical cooperation project (January 2017 -)

Cuba has been heavily reliant on imports for its food securing. At the beginning of the 1990s, the Soviet Union, which had supported Cuba's economy, collapsed, which made it difficult for Cuba to procure energy and agricultural equipment and caused its food situation to deteriorate severely. Cuba managed to stave off a crisis by means of temporary measures such as using vacant urban lots to produce vegetables, but its food self-sufficiency rates for major grains remain low, and even as of 2014 its rates were 55% for rice, 53% for frijoles beans and 35% for corn. Therefore, the Government of Cuba positions strengthening food security by improving self-sufficiency rates through boosting agricultural production as one of the country's priority challenges.

Japan began to boost the production of rice, a staple food in Cuba, in 2003, and has continued to provide support over the approximately 14 years since. A central component of the cooperation focused on expanding production of superior rice seeds.

In January 2017, the "Project on Improvement of Agricultural Extension System for Grain Production in Cuba," was launched. Based on the outcomes of the 14 years of cooperation up to then, it was decided to cover three key grains including frijoles beans and corn, rather than limit the crops covered to rice alone. Also, the focus was shifted from the seed production to the promotion of crops production for self-consumption, and the covered provinces were also expanded. The "Project for Extension and Diffusion of Technologies for Certified Rice Seed Production in the Central Zone of Cuba," which was implemented ahead of this project, produced more than four times its initial target of certified seeds (9,824 tons) and was highly appreciated by the Government of Cuba. Therefore, the Government of Cuba requested Japan to build and strengthen agricultural system popularization.



An agricultural association member using a combine in a rice field that is part of the project's coverage (Photo: IIGRANOS Project)

The Government of Cuba began to lend unused state-owned land free of charge in 2007 in order to expand agricultural land, and 1.61 million hectares of land had been lent to approximately 210,000 people, including those who had no agricultural experience by 2015. The remaining state-owned land that is eligible to be lent is limited, at 590,000 hectares, and on top of that in recent years the production environment has been deteriorating, partly due to a decline in the amount of rainfall. Going forward, rather than increasing the scale of agricultural land, boosting the yield per unit area becomes more important theme. For this purpose, it is essential to strengthen farmers' capabilities, and strengthening the framework for disseminating farming technology information to farmers is an urgent task. This project will be an extremely important role for the future direction of agriculture in Cuba, and can literally be described as an opportunity to highlight Japan's agricultural cooperation.

(As of December 2017)

◆ Japan's international cooperation policy in the Latin America and the Caribbean Region

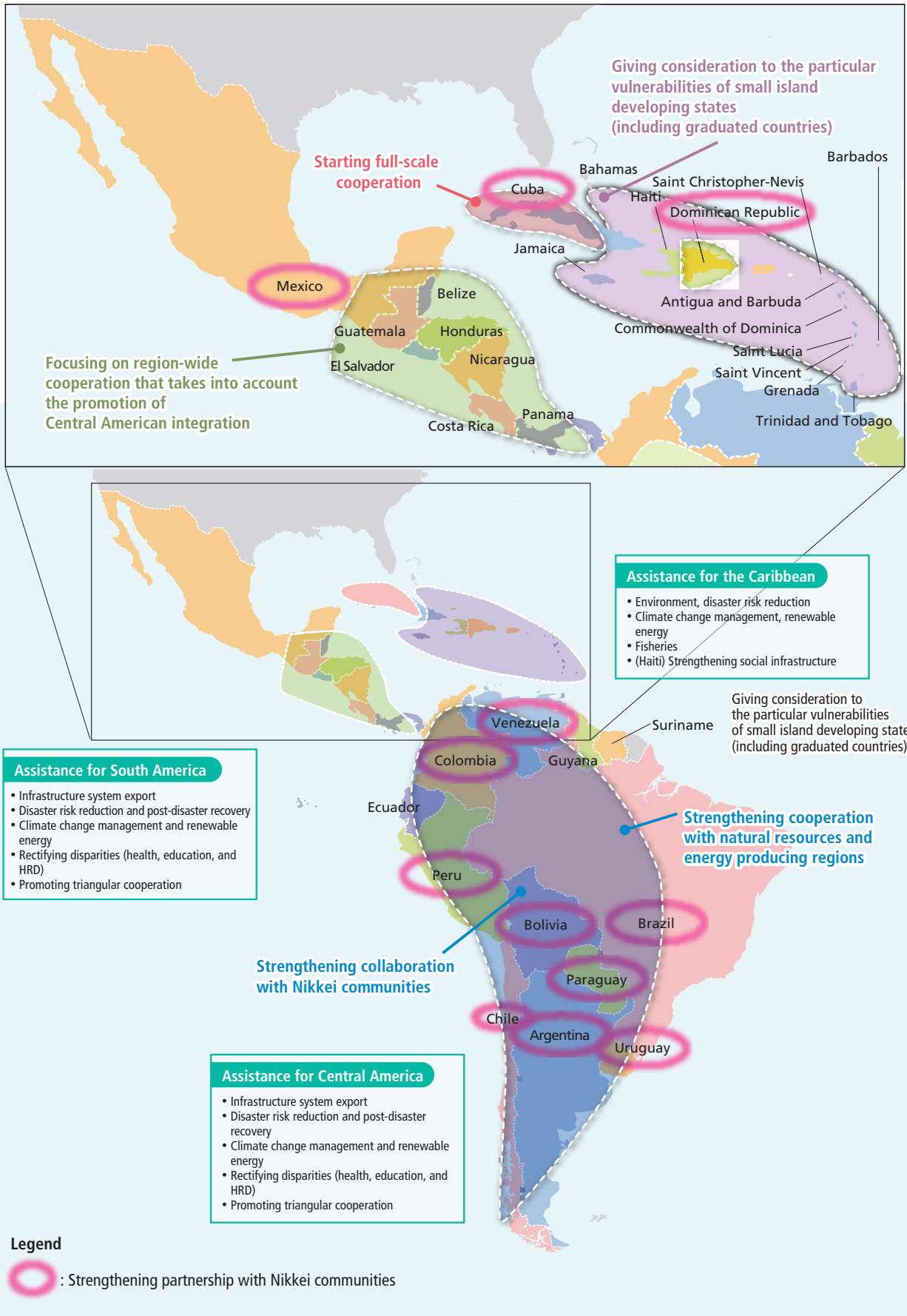


Chart III-13 Japan's Assistance in the Latin America and the Caribbean Region

Calendar year: 2016

(Unit: US\$ million)

Rank	Country or region	Grants				Loan aid			Total (Net disbursement)	Total (Gross disbursement)
		Grant aid		Technical cooperation	Total	Amount disbursed (A)	Amount recovered (B)	(A)-(B)		
			Grants provided through multilateral institutions							
1	Brazil	2.76	—	18.17	20.93	63.93	99.00	-35.08	-14.15	84.86
2	Costa Rica	2.98	—	4.33	7.31	38.42	17.29	21.13	28.44	45.73
3	Peru	5.64	—	12.54	18.18	25.61	99.76	-74.15	-55.97	43.79
4	Paraguay	12.54	—	10.80	23.34	8.68	35.72	-27.04	-3.70	32.02
5	Nicaragua	10.02	—	9.29	19.32	3.25	—	3.25	22.57	22.57
6	Haiti	18.95	10.23	2.51	21.45	—	—	—	21.45	21.45
7	Cuba	16.40 (1.08)	—	4.08 (4.08)	20.48 (5.16)	—	—	—	20.48 (5.16)	20.48 (5.16)
8	Ecuador	9.78	1.49	9.40	19.18	—	9.14	-9.14	10.04	19.18
9	Colombia	3.93	1.75	9.27	13.21	—	—	—	13.21	13.21
10	Honduras	2.87	0.20	9.87	12.75	—	—	—	12.75	12.75
11	El Salvador	1.72	—	10.07	11.78	0.10	16.66	-16.55	-4.77	11.88
12	Bolivia	1.79	—	8.04	9.83	1.16	—	1.16	10.99	10.99
13	Dominican Republic	0.81	0.09	9.32	10.14	—	9.26	-9.26	0.88	10.14
14	Mexico	0.15	—	9.36	9.51	—	3.35	-3.35	6.16	9.51
15	Panama	0.63	—	5.99	6.62	0.16	16.06	-15.89	-9.28	6.78
16	Guatemala	0.25	—	5.07	5.32	0.84	10.51	-9.66	-4.34	6.16
17	Saint Lucia	4.16	—	1.43	5.59	—	—	—	5.59	5.59
18	Antigua and Barbuda	4.93	—	0.21	5.14	—	—	—	5.14	5.14
19	Grenada	4.25	—	0.09	4.34	—	—	—	4.34	4.34
20	Argentina	0.41	—	3.54	3.95	—	14.36	-14.36	-10.42	3.95
21	Saint Vincent	3.43	—	0.32	3.74	—	—	—	3.74	3.74
22	Chile	0.37	—	2.88	3.25	—	0.93	-0.93	2.32	3.25
23	Jamaica	0.55	—	2.59	3.14	—	14.52	-14.52	-11.37	3.14
24	Dominica	2.90	—	0.01	2.91	—	—	—	2.91	2.91
25	Uruguay	0.67	—	1.62	2.29	—	—	—	2.29	2.29
26	Belize	0.09	—	1.10	1.20	—	—	—	1.20	1.20
27	Guyana	0.08	—	0.59	0.66	—	—	—	0.66	0.66
28	Venezuela	0.12	—	0.51	0.63	—	—	—	0.63	0.63
29	Suriname	0.18	0.09	0.09	0.27	—	—	—	0.27	0.27
	Multiple countries in Latin America and the Caribbean	1.04	1.04	11.99	13.04	3.19	—	3.19	16.23	16.23
	Latin America and the Caribbean region total	118.29 (102.97)	14.90 (14.90)	165.30 (165.30)	283.59 (268.27)	145.35 (145.35)	346.55 (346.55)	-201.19 -(201.19)	82.39 (67.07)	428.94 (413.62)

Notes:

- Ranking is based on gross disbursements.
- Due to rounding, the total may not match the sum of each number.
- [—] indicates that no assistance was provided.
- Grant aid includes aid provided through multilateral institutions that can be classified by country.

- Aid for multiple countries is aid in the form of seminars or survey team dispatches, etc. that spans over multiple countries within a region.
- Country or region shows DAC recipients but including graduated countries in total.
- Negative numbers appear when the recovered amount of loans, etc. exceeds the disbursed amount.
- Figures in brackets () indicate amounts excluding debt relief.