

Aid and Asia Buzz (February 15): Kachin ceasefire | China & N. Korea aid tension | ADB shifting focus | Jakarta floods | In brief



Source: AP

by Ashlee Betteridge

15 February 2013

Will Kachin ceasefire allow aid to reach Myanmar's displaced?

Myanmar has allowed **UN aid deliveries** in to Kachin state for the first time since the conflict between ethnic rebels and government troops escalated.

Aid workers are **still cautious**, and some are doubtful that the calm will last. UN Secretary-General Ban Ki-moon has called for a '**serious effort**' to end the conflict and allow aid to flow in.

As **The Economist** reports, donors are continuing to step up their engagement with Myanmar despite the ongoing conflict. The 'Paris Club' has now forgiven **some \$6 billion** of the country's debt, signalling a 'new beginning' for its relationship with lending institutions.

After a visit this month, the World Bank announced that it would **support the country's electrification**, among other projects.

This month, Australia **signed an MoU** with the government to increase and improve aid delivery, including water and sanitation supplies for civilians in Kachin. AusAID also committed to **an education fund** in conjunction with DFID.

Japan and China are also both vying to **build business ties in the country** and to deliver aid.

China could cut North Korean aid over nuclear tests

China is reportedly losing patience with North Korea and will **cut aid** to the reclusive state if it continues carrying out nuclear tests. Growing frustrations in Beijing over the **lack of transformation in the North Korean economy** are also reportedly behind the tensions.

In line with UN resolutions passed in December, China is **likely** to support economic sanctions against North Korea if the tests continue. **South Korea** also stands ready to toughen sanctions.

While North Korea may get the cold shoulder, China has continued to extend its aid reach in the region and further afield. In the past month, China pledged \$16 million for **victims of the Chernobyl nuclear disaster** in Belarus, \$19 million for **health infrastructure in Mauritius**, \$5 million for **health facilities in Yemen**, \$200,000 for **IOM support for Syrian refugees**, as well as **more military aid and musical instruments for Cambodia**.

ADB shifting focus from infrastructure to health and education

The Asian Development Bank has signaled that it will focus more heavily on lending to reduce inequality, rather than to promote growth. Rajat Nag, the ADB's managing director general, told **The Guardian** that the bank's programs would increasingly look towards lending for health and education. This would mark a major shift in strategy for the ADB, which has long talked of promoting inclusive growth but has traditionally focused on infrastructure and regional integration. The influential 2007 Eminent Persons Report, ***Towards a new ADB in Asia***, put both health and education in the non-core category, which ADB should withdraw from.

In one newly signed agreement, the bank pledged to **assist with rising inequality in Mongolia**, as a result of the country's mining boom. Under the agreement, ADB will provide \$1 million through a grant from the Japan Fund for Poverty Reduction (administered by ADB) to help the government identify and address the main causes of inequality.

Jakarta: sinking alone?

Indonesia's capital had a soggy start to 2013 with widespread flooding. Flooding is a **problem in the sinking capital every wet season**, but this recent inundation has been the worst since 2007.

Some 26 deaths were reported and more than 20,000 people had to be evacuated, with 200,000 directly affected. The dirty water around town also carried a high risk of **disease**, with children **most at risk**.

Assistance from the city and national government was **slow** to reach victims, with the **private sector**, local charities and **individuals** stepping up. The government took extreme measures to try to stop the flooding from getting worse – employing ‘**weather engineering**’.

International NGOs such as **World Vision** responded with relief and appeals. However, **Oxfam did not call for extra donations**, stating that it believed the Indonesian government had the capacity to deal with the situation on its own.

There was also little in the way of additional bilateral or multilateral monetary support – the US offered **\$150,000**, while **Japan, China and Denmark** offered a mix of sympathy and talks about possible technology transfers. AusAID is currently working on a **mapping project in the capital** for disaster risk reduction, but did not contribute funds for flood victims.

It seems that when it comes to managing humanitarian fallout from Jakarta’s flooding, Indonesian authorities are increasingly being left to sink or swim. International donors are more interested in supporting mitigation – a **\$189 million World Bank ‘Jakarta Urgent Flood Mitigation Project’** will commence **in March**, focusing on dredging canals and waterways.

In Brief

Taiwan officials say they are **sticking with their aid commitments**, despite the third annual drop in the country’s ODA budget. Central government budget cuts and the global economic downturn are to blame. Despite the cuts, Taiwan has been **increasing its presence** internationally on development issues.

Peru has **set its sights on new donors in Asia** after European nations scaled back their development assistance. Lima is particularly keen to strengthen ties with China, South Korea and Japan.

Southeast Asian countries will lose out from **AusAID’s fund diversion** to cover asylum seeker costs. \$38 million will be cut from the Indonesia budget, \$10 million from East Timor, \$14 million from Cambodia, \$5 million from Myanmar and \$6 million from Laos. See more analysis from Devpolicy **here**.

Kazakhstan will **establish** its own Agency for International Development.

Afghanistan and the IMF have **reached an agreement** on the reform path needed to unlock the country’s next aid instalment.

JICA signed a **loan agreement with Indonesia** for 15.49 billion yen to support the development of policies to boost investment and strengthen public financial

management.

Japan extended a further half billion dollars in **ODA to Vietnam** during a visit by Prime Minister Shinzo Abe.

Some \$1.9bn in public-private partnership projects funded through ODA have been approved in the Philippines.

The Philippines, with the UN and other partners, has revised its response to last month's Typhoon Bopha disaster, **calling for a 17% rise in assistance**.

Violence against aid workers in Pakistan **has continued**, attracting condemnation from human rights observers.

A **new article** in the journal *Progress in Development Studies* links remittances to public-private partnerships in Bangladesh.

India has pledged **\$1 million in support** to the African-led International Support Mission to Mali, after Islamist rebel groups sparked conflict.

JICA has followed in the ADB's footsteps by pulling out of the **troubled Padma Bridge project** in Bangladesh after the government **withdrew its request** for World Bank funding.

Could China be **exporting fake antimalarials** to Africa as part of its medical aid program?

*Ashlee Betteridge is a Researcher at the **Development Policy Centre**.*

Author/s:

Ashlee Betteridge

Ashlee Betteridge was the Manager of the Development Policy Centre until April 2021. She was previously a Research Officer at the centre from 2013-2017. A former journalist, she holds a Master of Public Policy (Development Policy) from ANU and has development experience in Indonesia and Timor-Leste. She now has her own consultancy, Better Things Consulting, and works across several large projects with managing contractors.

Link:

<https://devpolicy.org/aid-and-asia-buzz-february-15-kachin-ceasefire-china-n-korea-aid-tension-adb-shifting-focus-jakarta-floods-in-brief-20130215/>