

# Africa: Beyond TICAD IV & G-8 Summit

By Nobutake ODANO

## 2008 - A Turning Point in African Development

The year 2008, the midpoint in the process of attaining the Millennium Development Goals (MDGs), presented itself as a major turning point for both Japan's Africa policy and African development. The Fourth Tokyo International Conference on African Development (TICAD IV), an international policy forum to discuss African development, was convened in May. The outcome of the conference was reflected at the G-8 Hokkaido Toyako Summit held in July. This wave of developments occurred during the lead-up to a high-level meeting held at the United Nations in September to review the progress towards the MDGs.

Japan, as "a peace-fostering nation," has announced its intention to intensify its cooperation with rapidly changing African nations. Japan is committed to creating a bigger wave to channel the international community's wisdom and efforts into the continent while putting greater priority on the African countries' ownership of their own development.

## TICAD IV: An Unprecedented Event in Japan's Diplomatic History

TICAD IV, held in Yokohama, brought together delegations from 51 African countries. The presence of 40 heads of state and government and the chairman of the African Union (AU) highlighted the measure of hope and confidence those countries placed in Japan's initiatives. Present at the conference were more than 3,000 people, including those representing international and regional organizations, among them the World Bank, the African Development Bank and the United Nations Development Program (UNDP), as well as other development partners, and emerging partners from Asia. A number of African, Japanese and international NGOs were also in attendance, and a large contingent of national and international journalists was there to cover the event. Topics up for discussion ranged from acceleration of economic growth, peace-building and human security to environmental conservation, climate change, and food crises triggered by the upsurge in crude oil prices. An African fair, an investment seminar and many other events were organized while the main conference was in session. Specific business projects aimed at expanding trade and investment drew a large number of participants. The outcome of the conference was incorporated into the Yokohama Declaration and the Yokohama Action Plan, which were adopted and issued at the final plenary session along with the TICAD Follow-up Mechanism.

Then Japanese Prime Minister Mr. Yasuo Fukuda, who chaired the three-day conference, announced his government's ambitious initiatives in his keynote speech. He pledged to double Japan's ODA to Africa and help double the Japanese private sector's direct investment in Africa by 2012. Japan's contribution will also include doubling rice production in Africa in the next decade, training 100,000

health workers and sending a corps of water specialists, the "Water Security Action Team" (W-SAT). It is important for Japan to make steady progress in carrying out these initiatives.

## Respecting Africa's Ownership

The agenda for TICAD IV and its outcome were both the result of months of elaborate consultation between Japan and African countries. The African diplomatic corps in Tokyo was deeply involved in the process. Japan also had rounds of preparatory talks with the conference co-hosts – the World Bank, the UNDP and the U.N. Office of the Special Advisor on Africa (OSAA). This approach by Japan was based on the observance of the twin concepts of the TICAD process – Africa's ownership of its own development, and the partnership between Africa and the international community. The Yokohama conference featured the slogan "Towards a Vibrant Africa." This is a reflection of the fact that the changing African continent has begun to make progress in ending conflicts, democratization and good governance, as well as registering sustained economic growth on the back of higher prices of natural resources and better economic management. In recent years, African countries have recorded an average economic growth rate higher than that of the OECD economies.

Japan hopes to boost the excellent economic performance of these countries by giving a further push to their stability and growth. Japan has had a successful experience of supporting East Asian countries and leading them to sustained growth. The Japanese government sees it as both relevant and significant to infuse this experience into the African continent.

## Outcome of TICAD IV Shared by G-8 Summit

Mr. Fukuda built on the discussions and outcome of TICAD IV to chair the G-8 Hokkaido Toyako Summit. An outreach meeting held at the start of the summit was attended by the leaders of Algeria, Ethiopia, Ghana, Nigeria, Senegal, South Africa and Tanzania, and the AU chairman. This dialogue with the G-8 leaders has become an established process since the first outreach meeting was arranged by the chair of the 2000 Okinawa G-8 Summit, then Prime Minister Yoshiro Mori of Japan. This year's dialogue took place on the first day of the summit and addressed high world food prices, environmental issues, climate change, the MDGs and other global issues. The G-8 and African leaders also had a frank exchange of opinions on the Zimbabwe issue. The G-8 leaders reaffirmed their commitments to attain the MDGs when they discussed "Development Africa" at a later session. They referred to the need to increase their ODA to Africa even after 2011. They also discussed health, education, water/sanitation and surging food prices, and welcomed TICAD IV's important contributions.

*TICAD IV participants pose for photographers.*



Photos: MOFA



*Then Prime Minister Yasuo Fukuda addresses the Fourth Tokyo International Conference on African Development (TICAD IV) held in Yokohama in May 2008 under the title "Towards a Vibrant Africa: A Continent of Hope & Opportunity."*

### Toward Realizing MDGs

Attaining the MDGs is a major challenge facing the international community. Their attainment in Africa will be impossible without accelerated international efforts. The full achievement of the MDGs will lead to the lives of more mothers and children being saved, the upholding of human dignity through the enhancement of health, more children being educated, and the building of a vibrant future generation. Discussions at the United Nations in September called for development partners, in particular industrialized economies, to intensify their efforts to realize the MDGs. Japan is set to lead global efforts by upholding its pledge to double its ODA to Africa.

It is also important to devise a dynamic approach to make attainment of the MDGs easier. How to accelerate African development should be the top priority. Realizing a vibrant Africa as advocated by TICAD IV will be a crucial part of helping a broader spectrum of people to benefit from the boon brought by development.

### Bringing Asian Success to Africa

Many analyses in the 1950s and 60s said that while Africa with rich resources and a smaller population had relatively bigger growth potential, Southeast Asia with a larger population and scarce resources would need greater efforts to ensure its development.

Southeast Asia has been making outstanding progress in recent years. Much of that progress has come from sustained peace and stable management of politics and economies which have made vig-

orous business activities possible. While respecting their ownership, Japan has extended active economic assistance and encouraged the private sector to expand investment and business in Southeast Asian countries. It has also offered intellectual assistance to help institution-building and human-resource development. More recently, Japan has been putting greater emphasis on a regional approach. A typical example is the development projects now underway in the Mekong basin. This approach has produced some synergetic effects on the development of neighboring countries. ASEAN's regional cooperation is a good example. In the same context, European countries have been successful in their pursuit of a single market and a unified currency.

In Southeast Asia, the growth of local industries has created more jobs and raised average income levels. This has given governments greater leeway to spend more on education and health, allowing more people to enjoy the dividends of development.

Drawing upon Asia's success, Japan has played a leading role in working to join the missing links in Africa's region-wide road networks, and to upgrade power distribution/transmission lines. The Japanese government will work for the enhancement of infrastructure in cooperation with the World Bank, the African Development Bank and other like-minded development partners. It will encourage potential private businesses to join it in supporting the continent's development efforts.

Japanese businesses are coming back to Africa. Mr. Fukuda has pledged to help double the private sector's direct investment and unveiled a new financing facility for African development introduced by the Japan Bank for International Cooperation (JBIC). These initiatives will encourage more Japanese companies to invest in Africa. Mitsubishi Corp. has taken the initiative in creating a new form of industrial development in Africa. Its Mozal project in Mozambique imports alumina, smelts aluminum with electricity supplied from South Africa and exports ingots. Nissan Motor Co. has started building a car assembly plant in Morocco while Sumitomo Corp. has launched a mining project in Madagascar. The South African unit of Toyota Motor Corp. has raised the local content ratio through training of local workers and began exporting its cars to Europe this year. Sumitomo Chemical Co. manufactures mosquito nets in Tanzania and Nigeria. Its products save children across the continent from malaria. Japanese investment is rather special in the sense that

Photos: JICA



*Chirundu Bridge: Completed on Oct. 31, 2002, with Japan's grant aid, this bridge is part of the Beira Corridor, an international highway between Zimbabwe's capital Harare and Zambia's capital Lusaka. It has contributed in the improvement of local transportation.*

human-resource development and transfer of management know-how go along with it. Increased investment will help unfold Africa's potential for development.

On the other hand, host African countries are required to improve their investment climate. They need to understand the reality that in a race to invite investors, their neighbors can be tough competitors. Japan is going to send missions to African countries for talks with government officials and to survey local situations. Japanese companies do not have enough information related to investment and trade. The dispatch of missions may help improve the flow of necessary information.

Funds from Japan are already available for use in private-sector projects in Africa. One example is the Enhanced Private-Sector Assistance (EPSA) for Africa, a joint initiative with the African Development Bank aimed at supporting the growth of the continent's private sector. This initiative is effective for fostering local industries. There have been many successful cases in various African countries in capacity-building for local financial institutions, and exporters and importers. The term of this five-year initiative will expire in 2010. How to continue assistance effectively by utilizing this initiative is one of issues to be discussed now.

Asia's investment and trade relations with Africa should not be made light of. Japan has been organizing an Africa-Asia Business Forum in the TICAD process. Most recently, the fourth forum took place in Tanzania in 2007. A forum report said that 160 African and Asian companies which took part in the three-day event made deals worth \$156 million. Japanese-affiliated businesses in Southeast Asia are willing to invest and may turn their eyes to Africa. Statistically, their investment will be counted as originating, for example, from Thailand or Singapore. Vietnam, in the midst of rapid economic development, has initiated cooperation with Mozambique. Indonesia has been cooperating with Madagascar in rice farming.

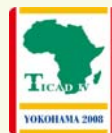


*NERICA (New Rice for Africa) is a hybrid upland rice variety developed by intercrossing a conventional African species strong against disease and aridity and a high-yield Asian variety.*

## Agriculture: Backbone of Africa Economy

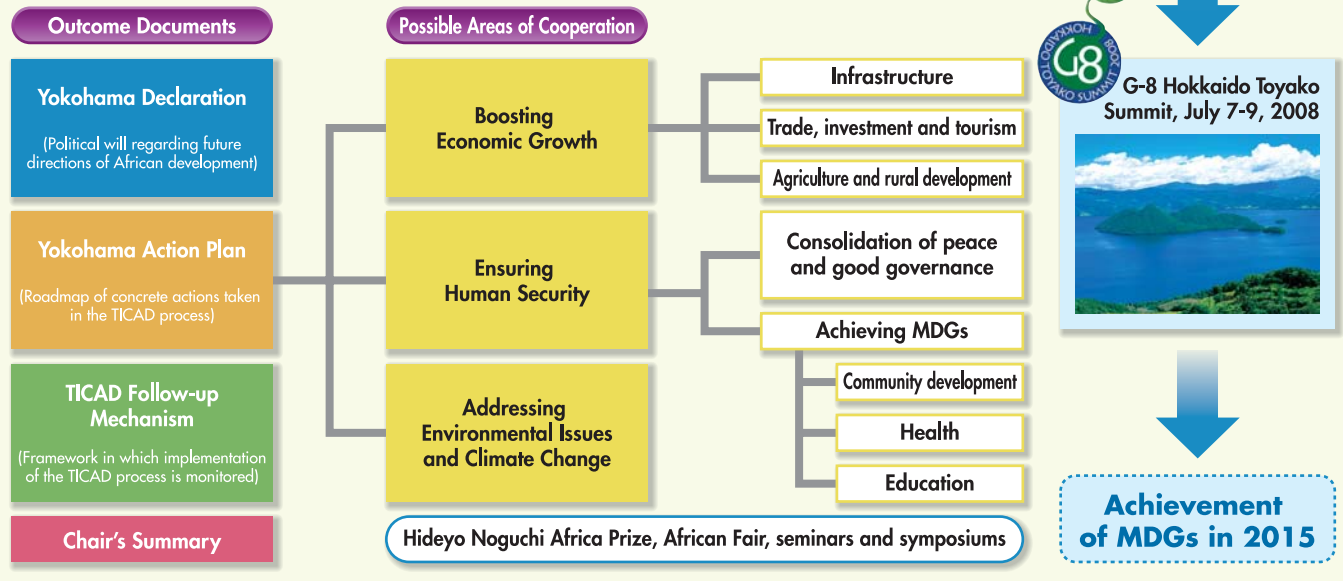
Agriculture provides employment to some 70% of Africa's total population. It is the backbone of the African economy. And yet its productivity remains low. In reality, the continent's farm output is insufficient and its food self-sufficiency ratio is poor. The recent rise in food prices has had a major impact on Africa. Acting in response to a global initiative, Japan has pledged or implemented since January a food assistance and agriculture support package equivalent to \$1.1 billion. This includes the release of stockpiled rice. Ugandan President Yoweri Museveni left a deep impression when he told TICAD IV that Africa should turn its food crisis into a new chance. Encouraged by such remarks, Japan pledged assistance to double rice production in African countries over the next 10 years. Rice consumption is fast expanding in African countries. Japan has developed and been promoting NERICA (New Rice for Africa), a hybrid rice variety, in collaboration with the African Rice Center, known until 2003 as the West Africa Rice Development Association (WARDA). Projects to spread the production of NERICA rice are underway in Uganda and some of its neighboring countries (Ethiopia, Kenya, Tanzania, etc.). Ugandan farmers, heartened by their increased crop, are keen to spread the rice to neighboring countries. Japan is now preparing to start irrigation and rice-growing projects in Senegal, Madagascar and other countries, seeking to meet its pledge to double rice output in a decade while encouraging self-reliance efforts by African countries. Enhancement of self-sufficiency is the best road to food security. This requires many things to be done, such as construction of crop storage facilities, establishment of marketing channels and improvement of transportation lines. Japan can cooperate in these and many other areas.

## TICAD IV (May 28-30, 2008, in Yokohama)



### “Towards a Vibrant Africa”

40 African heads of state and government participated from 51 African countries. Among other participants, 74 regional/international organizations, 34 donor and Asian countries, the private sector and NGOs also took part in TICAD IV that made it one of the largest policy forums focusing on African development, which is open and comprehensive.



Source : MOFA

### New Challenge: Global Warming

Africa pollutes least but suffers most. Unless the whole world cooperates in addressing global warming, both industrialized and industrializing countries as well as both Asia and Africa will be forced to suffer enormously. Japan, as a global player, is responsible for the future of the international community. From this viewpoint, it has put forward its “Cool Earth Promotion Program,” and is beginning to implement specific measures. This initiative was carried forward both at TICAD IV and the G-8 summit. It is highly significant that the G-8 members, including the United States, have committed themselves to the goal of achieving at least a 50% reduction of global greenhouse gas emissions by 2050. Japan has earmarked \$10 billion to finance the implementation of its Cool Earth initiative. It will assist developing countries that aim to achieve both economic growth and reduction of emissions through policy consultations with those countries. In Africa, Japan has already initiated such consultations with Nigeria, Madagascar and Senegal. Preparations are underway for similar talks with other African countries. Proposals made so far for implementation under the partnership include, but are not limited to, forest preservation, photovoltaic power generation and flood/drought control.

### Infrastructure Improvement

The Japan International Cooperation Agency, better known as JICA, was reborn on Oct. 1, 2008. A new JICA has taken over the JBIC function of providing yen loans in addition to its core role of

facilitating technical assistance. It has become a more efficient entity to promote international cooperation. JICA has so far sent more than 10,000 Japan Overseas Cooperation Volunteers to various African countries. They have been engaged in grassroots activities among African villagers. Back home, they are playing the role of representatives of Africa and African issues in Japanese communities. Many of them took part in TICAD-related events in Yokohama as volunteers. Today, some 1,000 cooperation volunteers are working in Africa every day together with local villagers. A majority of them are women.

The Japanese government has opened new embassies in many African countries, the latest additions being Malawi, Botswana and Mali. More countries will join the list next year. This is proof of the growing support for Africa in parliament and among the general public. TICAD IV served to enlighten Japanese people on Africa. It also made Japanese companies more interested in doing business in Africa. Japan and African countries will be seeking to further broaden and strengthen their mutual cooperation. In that process, deeper cooperation with their partners in Europe, the United States and Asia will ensure more efficient utilization of the limited ODA, investment and human resources available. By successfully hosting TICAD IV and the G-8 summit, Japan is steadily reinforcing its reputation as “a peace-fostering nation.” **J.S**

*Ambassador Nobutake Odano was in charge of the preparation and organization of TICAD IV. Since August 2008, he has been based in Brussels as Ambassador of Japan to the European Union.*