

# TICAD 20<sup>th</sup> Anniversary Review Main Report

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Japan International Cooperation Agency (JICA)

Mitsubishi UFJ Research and Consulting



## Preface

The TICAD (Tokyo International Conference on African Development) has been held every five years since 1993 by the Government of Japan and TICAD co-organizers. This conference is a platform that allows the international community to discuss the African Development.

The fifth TICAD will be held from June 1 to 3, 2013 in Yokohama which will mark the 20th anniversary of the TICAD.

JICA has been conducting a study «TICAD 20th Anniversary Review» in order to review the last 20 years' progress and also to contribute to the preparation for TICADV and the discussion toward the future of the TICAD process.

The study has been carried out by Mitsubishi UFJ Research and Consulting, commissioned by JICA, and received various insightful inputs and strong support from the TICAD co-organizers that are the Government of Japan, the United Nations, the World Bank and the African Union Commission.

Furthermore, we received comments from various experts, including Mrs. Sadako Ogata, the former United Nations high commissioner for refugees and now the special advisor to the President of JICA, and Mr. Marc Malloch Brown, the former administrator of the United Nations Development Programme. Active debates have also taken place during the Civil Society workshop held on the 13th and the 14th of November 2012, in Ouagadougou, Burkina-Faso.

I would like to thank all those who assisted in various ways in the preparation of the present report.

The views expressed herein do not necessarily reflect the official views of the Government of Japan, TICADV co-organizers and JICA.

I hope this report will be widely shared and used as a reference amongst stakeholders, and will contribute to discussions on the ways of supporting Africa in the future.

February, 2013

INUI Eiji  
Director General  
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## Summary

This study aims to review the TICAD process since 1993 and the performance and trends of development assistance provided by TICAD co-organizers for Africa, as well as private-sector trade and investment in the region in the same period. Meanwhile, it also aims to take into consideration the results of preceding studies. In addition, it aims to develop a draft proposal for the future of TICAD after TICAD V, incorporating the views and opinions of experts. The following is a summary of the contents.

### TICAD process review

In 1993, when the TICAD process started, many African countries introduced a multi-political party system that gave them some hope in terms of politics while economic growth was stagnant. At the same time, the amount of assistance from Western donors to Africa started to decline, which was called aid fatigue. The TICAD process started under such conditions, and four conferences (TICAD I – TICAD IV) and related meetings have been held until now. Each subject of the four conferences were also set out based on the major development challenges surrounding Africa at the time of the each conference as well as on discussions in the international arena. Since the late 1990s, poverty reduction has become a major focus globally, while the challenges for Africa were drastically changing due to the occurrence of a series of domestic conflicts and the recovery of the African economy following the appreciation of the prices of primary commodities, etc. In reaction to such a situation, the TICAD process has taken up various subjects at each conference, but ownership and partnership have always been the theme of TICAD since its establishment. TICAD has been focusing on the role of the private sector in terms of economic growth in Africa (economic growth led by the private sector) as well as of individual people living in Africa, protecting them from threats to human lives, livelihoods and dignity, and developing their capabilities (human security). Furthermore, from the viewpoint of sharing the development experience in Asia with Africa, the TICAD process has also been focusing on the promotion of South-South cooperation. Forums on assistance in Africa are currently held multilaterally or bilaterally outside of the TICAD framework, but the TICAD is the oldest existing forum as a conference on assistance without being restricted by the relationship between the former colonial powers and African countries; and it has become an important forum to openly discuss policies regarding the development of Africa. It is also worth noting that the co-organizers and African countries are currently actively following up on the consensus made at the conferences and that the TICAD process places emphasis on the achievements of the results.



## **Changes in socioeconomy in African countries during the TICAD process period**

Given the changes seen in the African socioeconomy since 1993 until today, it can be said that African socioeconomy has been significantly improved in general. For example, the infant mortality rate, the maternal mortality ratio, and the malaria mortality rate have declined. As a result, the average life expectancy has grown. Both income and consumption have increased, and the diffusion of automobiles has grown significantly in the countries where the income level has reached a certain level. At the same time, the use of mobile phones has explosively increased in many countries. Furthermore, access to education (primary education) and improved water source have also been improved.

On the other hand, the regional and national gap has widened in some fields. In the Southern African countries, in particular, the HIV/AIDS prevalence rate has increased sharply, thus affected a rise in the death rate and to the shortening of the average life expectancy. There has also been a large gap between countries in terms of income and consumption. For example, as for the per capita gross national income, the disparity between countries is large, with a difference of about 90 times between the highest and the lowest. In terms of education, there has been an issue of gender inequality as well. With regard to poverty, although the poverty ratio has declined, the lives of people who live under the poverty line have still been severe, and the domestic gap between the rich classes and the poor classes has been growing in central and eastern Africa. In countries with a high population growth rate, there is also a tendency of urban slum expansion.

## **Assistance measures by Japan and the co-organizers (United Nations and the World Bank) under the TICAD process<sup>1</sup>: Performance, trends, and achievements**

Japan has assisted Africa in various fields based on the basic philosophy of TICAD. In the 1990s, when TICAD started, most assistance programs were related to economic infrastructure and service sectors and production sectors (agriculture, forestry, and fisheries). However, from the late 1990s to the early 2000s, the number of assistance programs in the fields of social infrastructure and services sectors (education, water, and health) has increased following trends related to MDGs. In addition, from the late 2000s, there have been more assistance programs in the transportation and energy sectors, showing the attitude of the Japanese government, which focuses on the development of infrastructure. Among those programs, with regard to assistance regarding water mentioned in (7), in

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<sup>1</sup> With regard to the co-organizers, the IDA and the UNDO have mainly been discussed.

particular, it has become evident that Japanese assistance has been contributing to the expansion of the access to improved water source in various places in Africa.

With regard to assistance programs in Africa provided by Japanese NGOs, a number of NGOs for international cooperation has been established since the 1990s due to growing interest in international cooperation in Japan. As a result, assistance programs in Africa provided by NGOs have also been increasing. Even though the majority of the assistance programs are still in Asia, 25% of the assistance programs in 2011 were carried out in Africa, and various assistance programs have been provided by NGOs in the fields of human resource development, living assistance, relief operations, and community assistance.

The UNDP has been providing assistance in order to achieve sustainable human development as well as people-centered growth. Four key sectors have been identified for those programs: (1) poverty reduction and MDGs; (2) democratic governance; (3) environment and energy; and (4) crisis prevention and recovery, all in order to strengthen capacity through knowledge-sharing, analytical work, and advocacy activities.

The IDA identifies the African region as a top priority area for development. The major assistance factors for African aid consist of knowledge-sharing, research, and analysis, as well as political advice. However, there have been a number of programs that are not necessarily reflected in the monetary figures. With regard to the amount of aid, the recent trends show that assistance to the “economic infrastructure and services sectors” are most dominant, showing that the IDA has been actively engaged in assistance for growth, such as in the development of infrastructure and the private sector.

## **Private-sector trade and investment assistance framework under the TICAD process**

In the late 1990s, African countries started to show signs of recovery, and many countries achieved remarkable economic growth in the 2000s. Since 2006, foreign direct investment in Africa has been exceeding the amount of aid. Even though the amount of trade for overall African countries has declined in 2009 due to the global economic crisis, the depreciation of the petroleum oil price, and a slowdown in direct investment, Africa’s growth has still been robust given the significant decline in the world economy. This trend can be explained by the transactions and investment of natural resources. The development of African countries has been different from the experience of East Asian countries, however, the increase in the middle-income group that benefited from economic development has been attracting overseas companies to Africa as a growth market. Under

TICAD, specific measures for private-sector trade and investment assistance in Africa were suggested at the Asia-Africa Trade and Investment Conference (AATIC) in 2004. The co-organizers of TICAD have been providing a wide range of assistance programs in order to support frameworks to: solve the problem of insufficient investment for infrastructure needs, develop the private sector in developing countries, and improve the investment and business environment, while providing assistance based on public-private collaboration.

## **Overview and lessons learnt of TICAD process**

The following overview and lessons learnt are based on the results of an analysis of the TICAD process and the performance of ODA disbursements to Africa according to: the TICAD 20<sup>th</sup> Anniversary Review, interviews with experts, and civil society workshops.

### 1. Overview of TICAD process

#### a) Role of TICAD as an international development forum

- Presentation of a new African development framework following the Cold War

#### b) Role of TICAD in the bilateral relationship between Africa and Japan

- TICAD's part in the process of Japan's maturation as a donor country

### 2. Lessons learnt from TICAD process

#### a) Concept of TICAD as an international development forum

- Further reinforcing African ownership of its development

- Need for further promotion of TICAD follow-up and perspective for long-term development

- TICAD as an open forum for considering African development

#### b) Concept of African aid

- Selectively engage, condense targets, and utilize abundant resources in a focused way

- Promotion of economic structural transition

- Regional approaches that are responsive to diversity

- Promotion of public-private collaboration

# 1. Positioning of this Study and TICAD's Background

## 1-1. Positioning of this Study

This study aims to review the TICAD process since 1993 and the performance and trends of development assistance provided by TICAD co-organizers for Africa as well as private-sector trade and investment in the region in the same period—while also taking into consideration the results of preceding studies. It also aims to develop lessons learnt for the future of TICAD after TICAD V, incorporating the views and opinions of experts.

TICAD is a process led by the Japanese government, and Japan's "assistance for Africa through the TICAD process" is almost synonymous with Japan's overall aid to the continent—but not entirely, and there is no explicit distinction between aid "through the TICAD process" and "non-TICAD" aid<sup>2</sup>. The same could be said of other TICAD co-organizers. For this reason, this study will review the political, economic, and social trends in African countries—in light of contribution made by Japan and other TICAD co-organizers since 1993—and produce lessons learnt for the future of TICAD after TICAD V.

Furthermore, in the trend reviews on development assistance for Africa (Chapter 4) and promotion of investment in private trade (Chapter 5) by the development assistance institutions among the TICAD co-organizers (UNDP and the World Bank), the target institution in Chapter 4 (development assistance) is the International Development Association (IDA), and the target institutions in Chapter 5 (promotion of private investment in trade) are the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), based on information and data availability and the main areas and regions selected for aid, particularly for the World Bank.

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<sup>2</sup> Ministry of Foreign Affairs (MOFA) 2007, Report on the "Evaluation of Japanese Assistance to Africa through the TICAD Process"

## **2. TICAD Process Review**

### **2-1. Launch of TICAD and African Development**

#### **2-1-1. Condition of Africa when TICAD was launched**

In early 1990, amidst the flow of global political change following the conclusion of the Cold War between the East and West in 1989, African countries one after the other began switching to multi-party systems. Looking at the 48 countries in Sub-Saharan Africa, the switch to a multi-party system occurred in 3 countries in 1990, 7 in 1991, 11 in 1992, 8 in 1993, and 3 in 1994. Since there were seven countries that had introduced a multi-party system prior to 1989, by the end of 1994, 39 out of 48 countries were nations with multi-party systems.<sup>3</sup>

This was a period when African countries were experiencing economic stagnation ongoing since the 1980s. Sub-Saharan Africa, impacted by the second oil shock in 1979 and the global recession that followed, fell into an economic crisis during the early 1980s. Subsequently, the average per capita GDP (Year 2000 nominal value) in Sub-Saharan African countries continued to decline throughout the 1980s, bottoming out during the early 1990s at less than \$500, reaching \$482 in 1994. Thus, the 1980s are sometimes called Africa's "lost decade."

The early 1990s were a time when domestic economies were depressed, and in domestic politics, great hopes were placed in the new multi-party systems. In short, TICAD I held in 1993 was launched at a time when "there was expectation of reforms to come due to the political changes in African countries in the midst of economic stagnation."<sup>4</sup>

While Africa was stagnated throughout the 1980s, Asian countries displayed rapid growth. The per capita GDP in Asian countries in 1991 surpassed that of Africa and continued to rise.

The 1990s were a time when the economy deteriorated even more than in the 1980s, with a trend toward improvement becoming visible only after 2000. As something that provides an overview of Africa in the mid-1990s, in 1995 the World Bank released *The African Continent at a Turning Point – the Condition of Sub-Saharan Africa in the Mid-1990s*. This report acknowledges the economic stagnation while expressing hope for future reform due to the political changes.

#### **2-1-2. TICAD I**

Since the introduction of multi-party democracy in the 1990s, many African countries were faced

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<sup>3</sup> Haraguchi, Takehiko. Multi-tribal Nations and Multi-party Systems. IDE-JETRO.

<sup>4</sup> Japan's emphasis on strengthening aid to new African countries following the change in their political administration when new leaders had just come to power may have been an important part of Japan's diplomatic policy.

with unstable new governments and stalled economic reforms. In addition, the aid flow to Africa started to slow with the end of the Cold War, when EU members—long-time donors to Africa—began sending their aid money to the former Eastern Bloc. EU countries were increasingly cutting back on overall aid budgets, which also added to the downward trend in aid money for Africa. As a result of international society losing interest in African development, African nations dropped out of the sight and interest of EU member states and other countries, raising concern that Africa may be marginalized<sup>5</sup>. Meanwhile, Japan’s assistance to Africa rose sharply between the 1980s and 1990s. Japan was the fourth largest donor to Africa after France, the U.S., and Germany, as of 1993<sup>6</sup>. TICAD I, held in the same year, succeeded in drawing global attention back to African development by appealing that there would be no world peace and development without the resolution of problems in Africa<sup>7</sup>. The conference also served to familiarize the global community with the term and concept of ownership (referred to as “self-reliance” in the Tokyo Declaration of TICAD I) and partnership as well as highlight the importance for African countries to learn from the development experience of Asia.

### **2-1-3. Condition of Africa before TICAD II**

Growth in African countries began in earnest in 2000 and thereafter, but at the time of TICAD II in 1998, signs of recovery were visible in Africa. The figure below shows the GDP growth rate of Sub-Saharan African countries in 3-year periods. A trend toward recovery can be seen starting in 1994. The intermediate value of the growth rate which was 2.7% annually in 1988-90 dropped to 1.1% in 1991-93 but rebounded to 4.0% in 1994-96. Moreover, as the result of economic reforms in the countries in the 1990s, exchanges rates were deregulated, and exports began to grow. The export growth rate, which was 2.7% in 1991-93, increased to 6.3% in 1994-96.

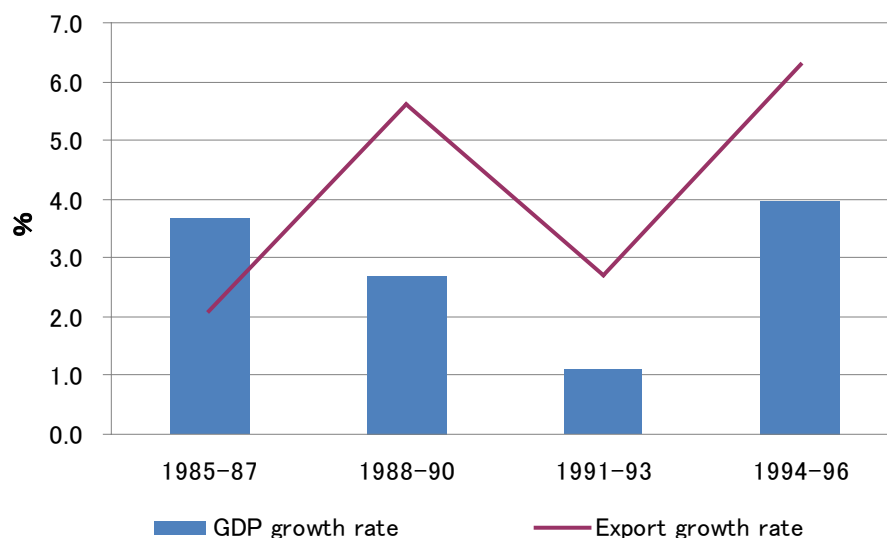
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<sup>5</sup> This is pointed out in many literature, such as the Foundation for Advanced Studies on International Development (FASID) (1997), *A new phase of development cooperation with Sub-Saharan Africa: FASID Forum I*.

<sup>6</sup> Preliminary Study for the Planning of Economic Cooperation Projects (New Approaches for Assistance to Africa (MOFA, 1997)

<sup>7</sup> Horiuchi, Shinsuke *TICAD after 10 Years: A Preliminary Assessment and Proposals for the Future* (2004)(<http://www.idea-jpn.co.jp/reports/TICAD-10year-nosokuseki.pdf>)

**Figure 2-1 GDP growth rate and export growth rate of Sub-Saharan countries (median) (1985-1999)**



Source: World Bank Databank.

In March 1997, a symposium called Deployment of a New Stage in African Assistance was held by FASID in Japan in preparation for TICAD II. At the symposium, the condition of Africa was summarized as “showing some easing of the rapid economic decline seen during the 1980s in Sub-Saharan African countries.” Concerning this condition, it was pointed out that “a different approach must be taken for each African country, and we must respond accurately to the basic needs of the poor. Specifically, in countries where economic growth and democracy are progressing, it is necessary to strengthen trade and investment. In countries that are currently in the midst of a transition period, ODA is the main form of assistance. In countries that are in the early stage of transition, emergency aid and humanitarian assistance should be the central focus.<sup>8</sup> So, TICAD II was held when such signs of recovery were visible in Africa.

#### **2-1-4. TICAD II**

At the 9th UNCTAD meeting held in April 1996, two and a half years after TICAD, the Japanese government launched its “African Aid Initiative,” in which Japan stated its commitment to continue its development assistance for Africa. The hosting of TICAD II was also announced at the conference, together with a proposal to maintain the momentum for African development raised by

<sup>8</sup> FASID (1997). Outlook for the New Stage of African Assistance: First FASID Forum.



TICAD I<sup>9</sup>. In May 1996, OECD/DAC adopted a “New Development Strategy” in which “ownership” and “partnership” was emphasized<sup>10</sup>. TICAD II was held in 1998 on the back of this “New Development Strategy”, and the two concepts of “ownership” and “partnership” have since become the underlying principles of the TICAD process.

Moreover, the Tokyo Action Declaration at TICAD II set out priority policies and activities together with numerical targets, and produced an “illustrative list” of TICAD partner projects/programs to outline the concrete steps to be taken towards African development.

### **2-1-5. Condition of Africa before TICAD III**

In the late 1990s prior to TICAD III held in 2003, emphasis began to be placed on poverty reduction in discussions behind the scenes at international venues such as the G8 Summit meetings. In 2000, the MDGs which include the goal of halving poverty were established. Moreover, the improvement of aid effectiveness which began with the Rome Declaration provoked international discussion.

Meanwhile, as emphasis was placed on poverty reduction in the late 1990s, the negative impact of globalization came to be regarded as a problematic because, even if some economies grew due to economic deregulation, the gap between countries as well as within countries expanded significantly. Doubts were raised that perhaps the poor may be becoming poorer than before. So, what sorts of policies cause growth and poverty reduction, as well as whether growth contributes to poverty reduction came to be questioned. Pro-poor growth began to gain attention as a type of growth that contributes to poverty reduction.<sup>11</sup>

### **2-1-6. TICAD III**

TICAD III, held in 2003, was attended by many heads of state and government not only from Africa but from Europe and Asia, which conveyed an impression that the TICAD process, in the decade since its establishment, has grown into an international forum for discussions on African development. Japan’s policy for assistance to Africa through the TICAD process was summarized into the three pillars of human-centered development, poverty reduction through economic growth, and the consolidation of peace. Human security—one of the key planks of Japan’s foreign policy—also figured in the TICAD Tenth Anniversary Declaration issued at the conference<sup>12</sup>.

“Poverty reduction through economic growth” led to pro-poor growth which was increasingly

<sup>9</sup> Horie, Masahiko (1997), *Japan’s Development Cooperation with Sub-Saharan Africa: Past, Present and Future*, FASID (1997), *A new phase of development cooperation with Sub-Saharan Africa* : FASID Forum

<sup>10</sup> MOFA website: Japanese texts on the website use the translation “*jijo doryoku* (self-reliance)” for “ownership.”

<sup>11</sup> International Cooperation General Training Institute (2004). *A Book for Understanding the Flow of Assistance*. International Cooperation Publishers Society.

<sup>12</sup> [http://www.mofa.go.jp/mofaj/area/ticad/pdfs/10\\_sengen.pdf](http://www.mofa.go.jp/mofaj/area/ticad/pdfs/10_sengen.pdf)

discussed during the late 1990s. In many African countries in the late 1990s, economic growth was beginning to recover, and promotion of pro-poor growth within that continued to be pointed out as important for “economic growth” given the flow of assistance that emphasizes poverty reduction and given the international aid that tends to concentrate in aid to the social sector which is apt to directly improve the lives of the poor. Pro-poor growth has sustained balanced African aid.

During the Gleneagles Summit in 2005, held after TICAD III, G8 countries and other donors made a commitment to double international assistance to Africa in the following five years by increasing the amount by US\$25 billion by 2010 (compared to 2004).

#### **2-1-7. Condition of Africa after TICAD III and IV**

The economic recovery of Africa in the late 1990s is often said to have been due to the rise in the price of primary commodities. The trend in the prices of primary commodities from TICAD III until 2011 is as follows.

After 2002, primary commodities’ prices temporarily dropped in 2009, but aside from that, the basic trend was upward. Compared to 2002, prices in 2011 were 2.1 times higher for food, 2.5 times for beverages, 4.2 times for metal, and 4.1 times for energy.<sup>13</sup> In the case of developing countries including those in Africa that export these commodities, the increase in income received from exports is likely to be a major engine of economic growth.

#### **2-1-8. TICAD IV**

TICAD IV in 2008 declared its focus items to be acceleration of economic growth, establishments of human security (achievement of MDGs, consolidation of peace, and good governance), and steps to deal with the environmental climate change problem. The conference resulted in the Yokohama Declaration and the Yokohama Action Plan, a roadmap and concrete actions showing how the TICAD process provides concrete support for African growth and development in the next five years.<sup>14</sup> It can be said that the Yokohama Action Plan comprehensively views African development issues and provides an approach that emphasizes action. Moreover, it was decided that progress on the action plan be annually followed-up on and published. TICAD IV is distinct from previous TICADs in its inclusiveness and in the adoption of this follow-up mechanism.

The Hokkaido Toyako Summit that took place in July 2008, after TICAD IV, addressed the issue of African development. The leaders renewed their commitment to fulfill the goal of increasing ODA from G8 and other donors to Africa by US\$25 billion a year by 2010, and referred to specific assistance measures for Africa such as the improvement of the business environment, improvement

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<sup>13</sup> World Economic Outlook, October 2012

<sup>14</sup> [http://www.mofa.go.jp/mofaj/area/ticad/3\\_gs\\_point.html](http://www.mofa.go.jp/mofaj/area/ticad/3_gs_point.html)

of infrastructure, support for agriculture, spending on Aid for Trade, support for good governance, and peace and security in Africa<sup>15</sup>.

In response to Africa's economic recovery which was deeply related to the rise in primary commodity prices, TICAD points out the importance of diverse industrial development including manufacturing in addition to development of primary commodities, citing "private sector-led growth" which is considered important in the TICAD process and "acceleration of growth" through TICAD IV. This is connected with economic transformation which has been discussed in Africa in recent years.

It may be said the TICAD's initiatives over 20 years were aimed at resolving Africa's development issues, which have changed significantly since the early 1990s, while incorporating the flow of international assistance mainstreamed by the US and Europe and at the same time adding TICAD's own viewpoint.

#### **2-1-9. Comparison of major agenda items for TICAD I-IV**

The agendas of TICAD I through IV were set based on the major development topics in Africa at the time and the discussion behind the scenes at international venues. For this reason, a variety of themes were featured at the conferences, and when it came to African economic growth, TICAD consistently attached importance to protection from threats to human lives, livelihoods and dignity, and capacity building (human security), placing at the center the role of the private sector (i.e., private sector-led economic growth) and each and every human living in Africa. One characteristic of this was TICAD's featuring of promotion of south-south cooperation from the standpoint of sharing Japan's experience in Asian development with Africa.

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<sup>15</sup> [http://www.mofa.go.jp/mofaj/gaiko/summit/toyako08/doc/doc080709\\_03\\_ho.html](http://www.mofa.go.jp/mofaj/gaiko/summit/toyako08/doc/doc080709_03_ho.html)

**Figure 2-2 Major aspired themes under TICAD (I-IV)**

	TICAD I "Towards the 21 <sup>st</sup> Century" (1993)	TICAD II "African Development toward the 21 <sup>st</sup> Century" (1998)	TICAD III (2003)	TICAD IV "Toward a Vibrant Africa: Continent of Hope and Opportunity" (2008)
Major agenda	(1) Political and economic reforms Democratization Respect for human rights Good governance Human and social development Economic diversification and liberalization	(1) Social development and poverty reduction: Promoting human development Education Health and population Other measures to assist the poor	(1) Consolidation of peace  (2) Capacity building African Peer Review Mechanism	(1) Boosting economic growth Infrastructure Trade & investment practices Agricultural and rural development
	(2) Economic development through the activities of the private sector	(2) Economic development issues such as private-sector/industrial/agricultural development, external debt, etc.	(3) Human-centered development Health Water resources management	(2) Achieving MDGs Community development Education Public health
	(3) Regional cooperation and integration Promotion of intraregional trade and investment	(3) Good governance, conflict prevention, and post-conflict development	(4) Infrastructure	(3) Consolidation of peace, good governance
	(4) Emergency relief and development Disaster prevention and management Food security		(5) Agricultural development	
	(5) Asian experience and African development Political stability Promotion of agricultural production Education/human resource development Market-friendly and export-led policies Fiscal policies Emphasis on the private sector Land reform	Other: (1) Underlying principles Ownership Global partnership (2) Approaches Strengthening coordination Regional cooperation and integration South-South cooperation (3) Cross-cutting themes Capacity building Gender mainstreaming Environmental management	(6) Private-sector development  (7) Expansion of partnerships	(4) Addressing environmental/climate change issues
	(6) International cooperation		(8) Dialogue with civil society	(5) Broadening partnerships
	(7) Follow-up			

Source: Compiled by MURC using materials from MOFA.

## **2-1-10. Other International Forums Related to African Development and Comparison with TICAD**

Currently, forums concerning African aid are held on multilateral and bilateral bases. This section will compare the year started and the discussion content of multilateral and bilateral conferences.

Looking at the year started, aside from the French-African summit meetings held since the 1970s, conferences held by the EU, China, South Korea, and India all began in 2000 or thereafter, after Africa started its trend toward recovery. Africa's economy was sluggish from the 1980s until the mid-1990s, and the conferences that supported Africa during this period were TICAD, SPA, and the French-African summit meetings. Furthermore, because SPA's activities subsided in the 2000s, the conferences that continued to support Africa from its slump until the present are TICAD and the French-African summit.

As former colonial powers in Africa, France and the other EU countries have deep, longstanding bonds with African countries economically and socially, and they are in geographical proximity. Meanwhile, TICAD is held by its co-organizers, the Japanese government, the United Nations, UDNP, the World Bank, AUC, and others, but the Japanese government does not have such history with African countries. It is highly significant that TICAD, with few historical ties to Africa, held a conference to aid African countries when they were stagnating in the early 1990s and has continued to do so up to the present. Incidentally, TICAD is the only conference on African aid that is co-organized with international organizations.

Looking at the content of the conferences, the scope of the agendas is broad, covering the issues that Africa faces. However, there are no other conferences that feature as their main policy "Private sector-led economic development", "human security" and "cooperation utilizing resources outside one's own country (south-south cooperation)," and these are a distinctive policies of TICAD.

**Figure 2-3 Comparison of multilateral and bilateral conferences on African aid**

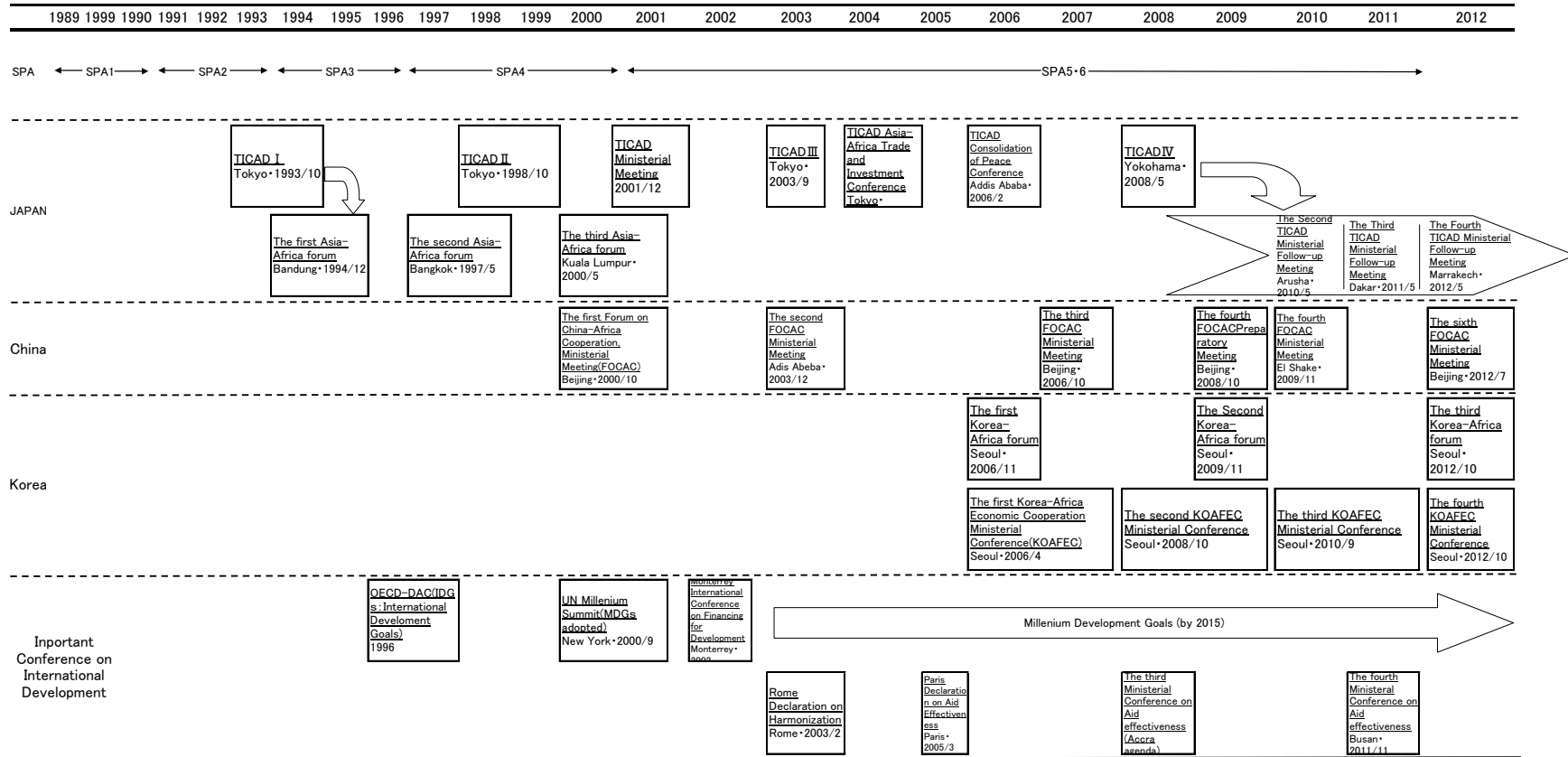
	TICAD	Multilateral		Bilateral			
		SPA	EU	France	China	South Korea	India
Start Year	1993	1988	2000	1970s	2000	2006	2008
Frequency/ Times held	Every 5 years/ 4 times	Annually (concluded in 2008)	Every 3 years/ 3 times	Every 2 to 3 years/ 25 times	Every 3 years/ 5 times	Every 3 years/ 3 times	Every 3 years/ 2 times
Character of Conference	-Policy discussion -Agreement on action plan -Agreement follow-up process	-Mobilization of funds for African aid -Discussion of aid modalities	-Policy discussion -Agreement on action plan	-Policy discussion	-Policy discussion -Agreement on action plan -Declaration of aid amount by host country	-Policy discussion -Agreement on action plan -Declaration of aid amount by host country	-Policy discussion -Agreement on action plan -Declaration of aid amount by host country
Scope of special aid compared to other conferences and other distinctive features	-Characterized by “African ownership,” “human security,” and “cooperation utilizing resources outside one’s own country (south-south cooperation)”	-No aid to specific sectors	-Distinguished by “human rights” -Large connection with the Cotonou Agreement	-Items of discussion concerning Africa’s condition change each time	-Aid targets are extremely broad. The amount of funds is specified.	-Aid targets are relatively broad. The amount of funds was specified the first time but has not been specified since the second time.	-Aid targets are extremely broad. The amount of funds is specified.

Source: Prepared by Mitsubishi UFJ Research and Consulting based on materials from the respective countries.

The figure below illustrates the holding of TICAD and other multilateral and bilateral forums.<sup>16</sup>

<sup>16</sup> Source: Each conferences website.

Figure 2-4 Historical development of TICAD and other relevant meetings



### 3. Changes in Conditions in Africa in the Past 20 Years

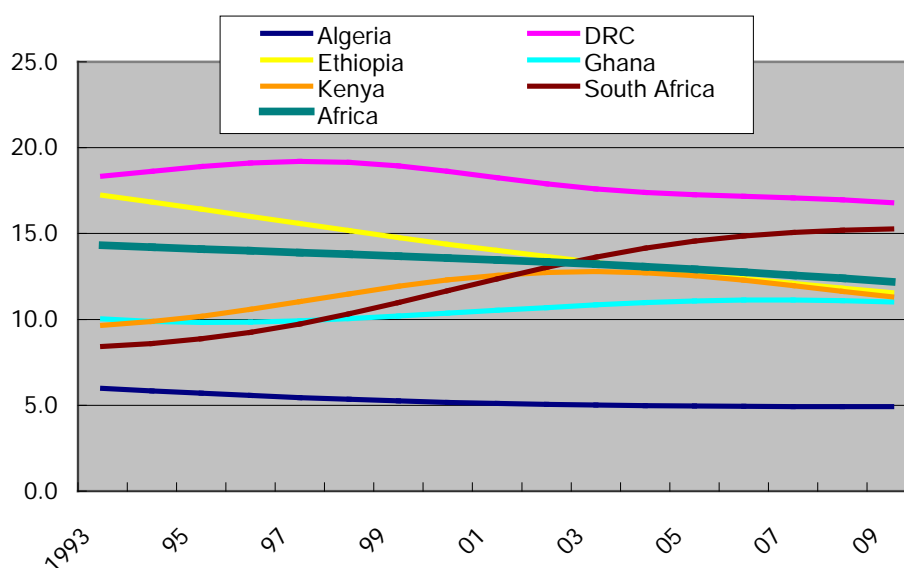
#### 3-1. Changes in Socioeconomy in African Countries since 1993

This section provides an overview of the changes in socioeconomy in African countries from 1993 to the present through data analysis. Here, no particular consideration is given to the relation with the TICAD process, but rather the changes in socioeconomics in Africa are described objectively<sup>17</sup>.

##### 3-1-1. Population

The population of Africa (northern Africa and sub-Saharan Africa) increased from 683 million in 1993 to 1.02 billion in 2010. The average annual population growth rate during this period was 2.4%, although the rate is gradually declining. The death rate per 1,000 persons improved overall in Africa from 14.3 deaths in 1993 to 12.1 in 2009. However, the death rate in southern African countries has increased compared to that in 1993. The average life expectancy at birth lengthened by 2.7 years overall in Africa, from 53 years in 1993 to 55.6 years in 2009. However, the average life expectancy in southern African countries has decreased. This trend is pronounced among women.

**Figure 3-1 Changes in the Death Rate (1,000 persons)**



Source: Compiled using African Development Indicators

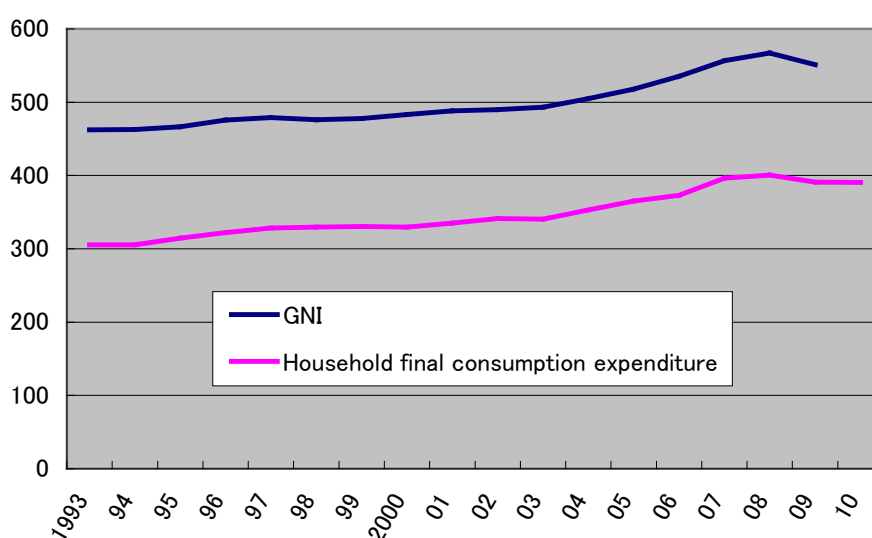
<sup>17</sup> Information in this chapter is based on the data provided in *African Development Indicators* by the World Bank, unless otherwise stated.



### 3-1-2. Income and consumption

The per capita gross national income (GNI) for sub-Saharan Africa overall increased from \$462 in 1993 (year 2000 fixed prices; the same applies below) to \$551 in 2009. The household final consumption expenditures per capita also increased from \$306 in 1993 to \$391 in 2010, but the gap between countries is large.

**Figure 3-2 Changes in Per Capita Gross National Income (GNI) and in Household Final Consumption Expenditures Per Capita (Sub-Saharan Africa overall, year 2000 fixed prices, US\$)**

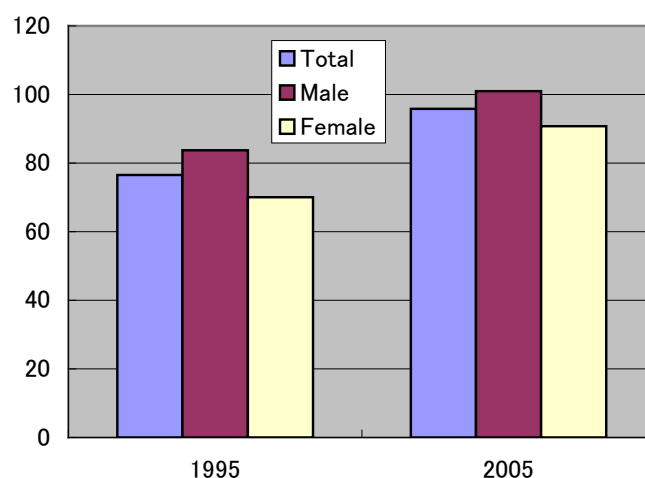


Source: Compiled using African Development Indicators

### 3-1-3. Education

The primary education enrollment rate was 96% both in Africa overall and in sub-Saharan Africa in 2005, which represents a considerable improvement. However, the enrollment rate for girls is lower by nearly 10% than that of boys in both cases. The secondary education enrollment rate in 2008 for sub-Saharan Africa overall was just 37%, which is low compared to the primary education enrollment rate. The enrollment rate tends to be lower for girls, but in countries where the enrollment rate is high, the reverse is true, with girls having a higher enrollment rate than boys. The literacy rate among persons 15 years of age and above improved in almost all the countries.

**Figure 3-3 Changes in the Primary Education Enrollment Rates (Africa overall, %)**



Source: Compiled using African Development Indicators

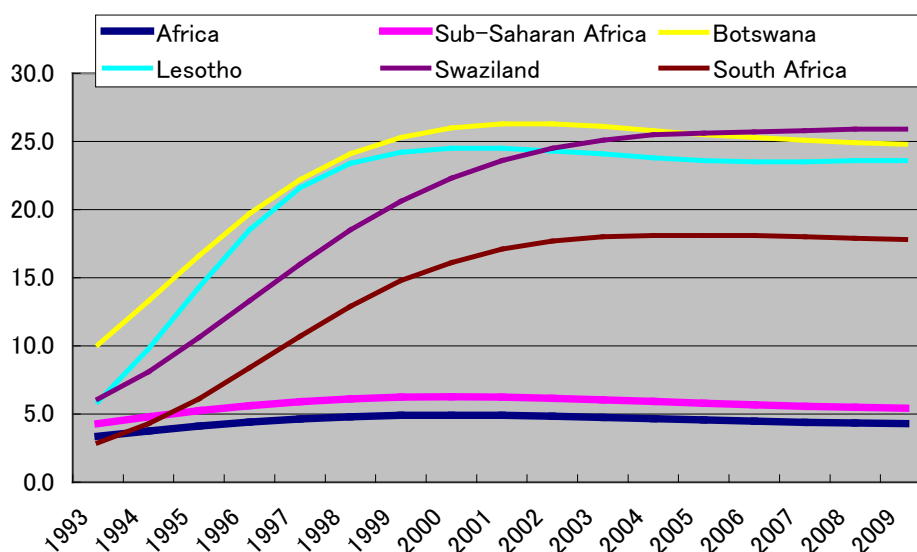
### 3-1-4. Health and hygiene

The infant mortality rate (per 1,000 persons) improved overall in Africa from 159 deaths in 1993 to 115 in 2009. However, there is a large gap between northern Africa and sub-Saharan Africa. The maternal mortality ratio (per 100,000 live births) in Africa overall also declined from 760 deaths in 1990 to 460 in 2010. However, by region, the figure increased only in southern Africa.<sup>18</sup> Even though the HIV/AIDS prevalence rate (percentage of 15 to 49 year olds) has shown signs of improvement in recent years, the prevalence rate particularly in southern African countries is striking. It is surmised that this is also contributing to the rise in the death rate and maternal mortality rate, as well as to the shortening of the average life expectancy in these countries. Even though the malaria mortality rate has declined by 33% in Africa since 2000, the majority of death involves children. Furthermore, it is estimated that 80% of the total number of deaths in the world caused by malaria is concentrated in 14 countries, mainly in African countries.<sup>19</sup> The rate of access to improved water sources (percentage of population) in Africa overall rose from 58% in 1993 to 65% in 2009. However, there are some countries in which the rate is deteriorating due to rapid urbanization and the growth of slum populations.

<sup>18</sup> WHO, UNICEF, UNFPA, and the World Bank, *Trends in Maternal Mortality: 1990 to 2010*

<sup>19</sup> WHO, Fact sheet No. 94, Malaria (<http://www.who.int/mediacentre/factsheets/fs094/en/index.html>)

**Figure 3-4 Changes in HIV/AIDS Prevalence Rates (% of 15 to 49 year olds)**



Source: Compiled using African Development Indicators

### 3-1-5. Environment

The carbon dioxide emissions per capita in Africa overall increased from 1.10 tons in 1993 to 1.18 tons in 2007, but in sub-Saharan Africa, they have decreased slightly. Africa as a whole is responsible for only a very small proportion of carbon dioxide emissions worldwide (4% or less), and fossil fuel is the main source of carbon dioxide emissions in only a few countries (Algeria, Egypt, Libya, Morocco, Nigeria, and South Africa).<sup>20</sup>

### 3-1-6. Poverty

The poverty rate (percentage of people who live on less than \$1.25/day) in sub-Saharan Africa remained high, at 58% in 1990 and 59% in 1996, despite the economic growth since the 1990s. The rate has, however, recently started declining.<sup>21</sup> Looking by region at the poverty gap ratio, which indicates the depth of poverty among people living on less than \$1.25/day, it has declined in sub-Saharan Africa but remains over 20% in all areas.<sup>22</sup> Looking at the Gini coefficient (%), which indicates the domestic income gap in major countries in each region, the level in southern Africa is consistently higher than in other regions—though it is declining. This shows that the income gap in

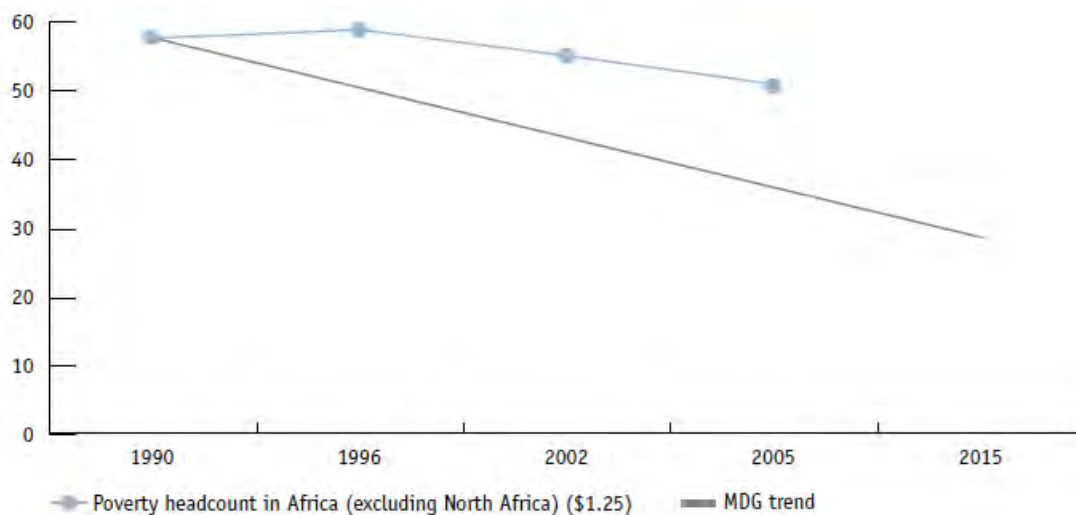
<sup>20</sup> AfDB, ECA, AU, and UNDP, *Assessing Progress in Africa toward the Millennium Development Goals: MDG Report 2011*

<sup>21</sup> Ibid

<sup>22</sup> Ibid

Africa remains large.<sup>23</sup> The urban slum population is declining in both northern Africa and sub-Saharan Africa. However, countries with a high slum population generally correspond to those with a high population growth rate, suggesting the tendency that the population increase and the urban slum expansion are proceeding simultaneously.

**Figure 3-5 Changes in the Poverty Rate in Sub-Saharan Africa (%)**



Source: UNECA, AfDB and UNDP, MDG Report 2011

### 3-1-7. Other

The passenger car penetration rate (per 1,000 persons) in sub-Saharan Africa in 2007 was 24.6 vehicles. A large difference can be observed in the passenger car penetration rate between countries where the per capita GNI exceeds roughly \$1,500 and countries with a lower per capita GNI. The number of cellular phone subscriptions (per 1,000 persons) grew explosively starting at the end of the 1990s, increasing in Africa overall from only 1 in 1995 to 443 in 2009. While there are countries where the number surpasses 1,000 or is nearly 1,000, there are also countries where the number has not reached 100. There is a strong correlation between the comprehensive CPIA (Country Policy and Institutional Assessment) Index<sup>24</sup> of 38 African countries and their GDP growth rate, indicating that countries with good policies and institutions tend to display high economic growth.<sup>25</sup>

<sup>23</sup> African Development Bank, *Briefing Notes for the AfDB's Long-term Strategy: Briefing Note 5: Income Inequality in Africa*, March 2012

<sup>24</sup> An evaluation index measured once a year by the World Bank in countries that are eligible to receive IDA funding; each country is evaluated based on 16 criteria that are divided into four groups: (a) economic management, (b) structural policy, (c) policy to realize social inclusion/justice, and (d) management and systems for the public sector. The score ranges from one at the lowest to six at the highest.

<sup>25</sup> World Bank, *CPIA Africa – Assessing Africa's Policies and Institutions*, June 2012

### 3-2. Forecast for African Socioeconomy during the Next 20 Years

This section introduces several literatures concerning changes in African socioeconomic indicators for the next 20 years.

The FASID International Development Research Center provides estimates on employment and GDP by sector in the agriculture and non-agriculture sectors until 2030 in 37 sub-Saharan countries overall and in 10 separate countries (Kenya, Mauritius, Namibia, Senegal, South Africa, Tanzania, Botswana, Burkina Faso, Ethiopia, and Gabon).<sup>26</sup> Its forecast is: (1) even though the agriculture GDP per employee in sub-Saharan Africa overall will increase by nearly 1% annually, the non-agriculture employees will increase and therefore no increase can be anticipated in the non-agriculture GDP per employee; (2) countries with room to expand farmland are estimated to have a larger increase in agriculture GDP; (3) countries with a large amount of capital per employee are estimated to have a larger increase in non-agriculture GDP; and (4) countries with a low population growth rate are estimated to have a larger increase in both agriculture and non-agriculture GDP per employee.

According to the growth forecast for GDP per capita up to 2030 based on the “four-speed world” categories provided by the OECD,<sup>27</sup> among the countries that belong to the same category in the year 2000, South Africa, Botswana, and Tunisia are projected to be the most “affluent” countries in Africa in 2030, while Chad is projected to become one of the “poorest” countries in 2030. Countries such as Egypt, Algeria, and Gabon will develop to a level just behind South Africa, Botswana, and Tunisia.

Every two years, the Population Division of the Department of Economic and Social Affairs at the United Nations releases World Urbanization Prospects, a long-term estimate of urban and rural populations in countries around the world.<sup>28</sup> According to the prospects, the population of Africa, which was 635.3 million as of 1990, will reach 2.1916 billion in 2050, with the urban population ratio increasing from 32% to 58%. In this process, the population and the urban population ratio in 2030 will be 1.562 billion persons and 48%, respectively, meaning that nearly half of the population will live in cities. By region, the urban population ratio will be the highest in southern Africa, where the increase of population is least significant, reaching 67% in 2030 and 74% in 2050.

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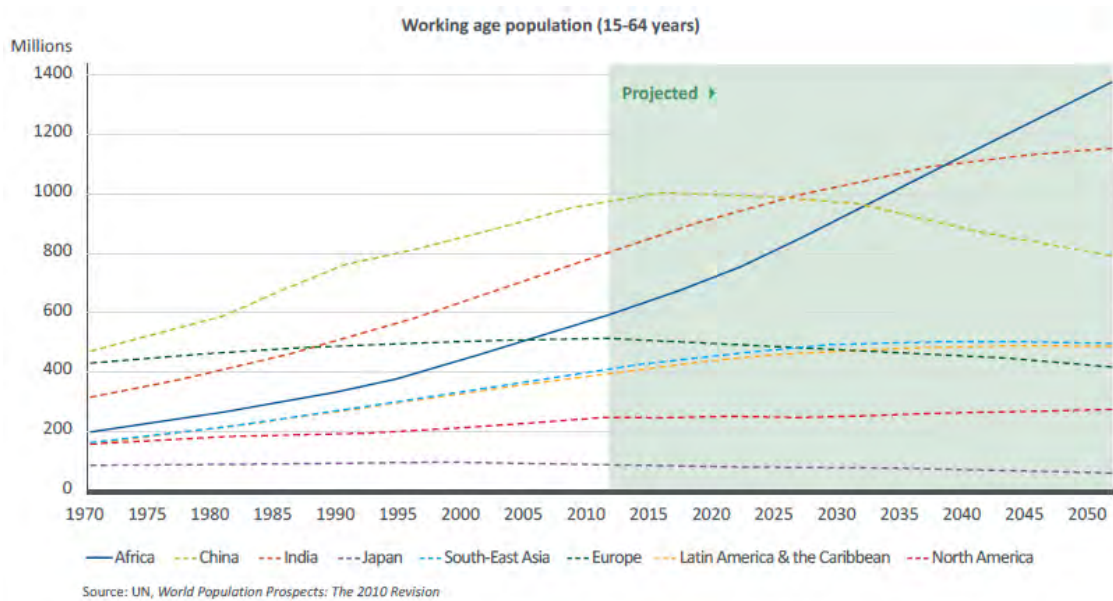
<sup>26</sup> Takamasa Akiyama and Eriko Takahashi, “Chapter 1: Outlook for the African Economy” in *Seeking New Development Assistance for Sub-Saharan Africa*, Research Report Paper, African Development Strategy, Globalization and International Development Research (in Japanese), FASID, March 2010

<sup>27</sup> OECD, *Perspectives on Global Development 2010: Shifting Wealth*, 2010

<sup>28</sup> *World Urbanization Prospects*, 2011 Revision (<http://esa.un.org/unup/index.html>)

According to the report prepared by the Mo Ibrahim Foundation for the 2012 Ibrahim Forum,<sup>29</sup> Africa is the only region in the world where the youth population (15 to 24 years) will continue to increase until the end of the 21<sup>st</sup> century. As a result, the share of Africa in the global youth population will reach 31% in 2050, and Africa will account for more than one-quarter of the world's working age population.

**Figure 3-6 Predicted Increase in Working Population (ages 15 to 64)**



Source: Mo Ibrahim Foundation (2012)

<sup>29</sup> Mo Ibrahim Foundation, *African Youth: Fulfilling the Potential*, November 2012

## **4. Development assistance for Africa (including North Africa) provided by TICAD co-organizers since 1993: performance, trends, and achievements**

Chapter 4 discussed the policies, performance, trends and achievements of the development assistance provided by Japan and its TICAD co-organizers (the United Nations and the World Bank) as part of the TICAD process. As regards co-organizers, the chapter mainly focused on the activities of the United Nations Development Programme (UNDP) and the International Development Association (IDA). In view of the fact that TICAD plays a role as an open forum to discuss development issues in Africa, the chapter also reviewed trends related to emerging donors (China, South Korea and India) as well as NGOs and foundations.

### **4-1. Development assistance from the Japanese government**

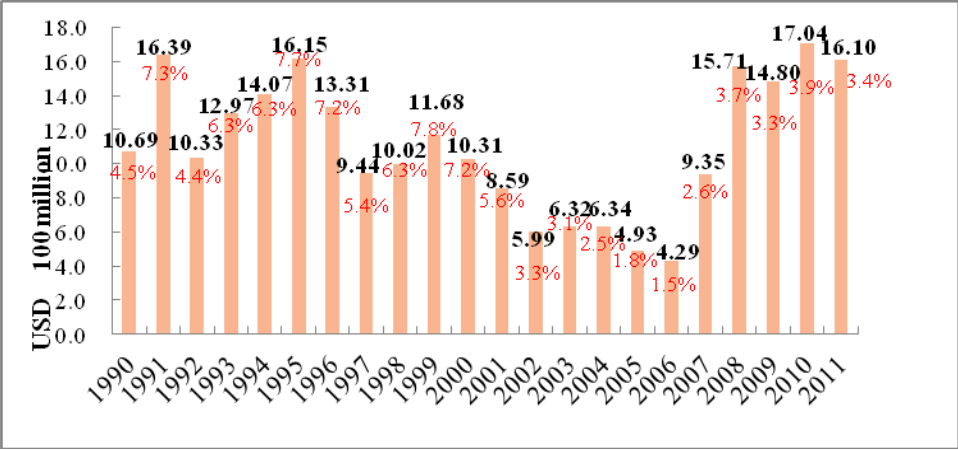
In all the TICAD conferences since 1993 (TICAD I–IV), Japan has worked with other partner organizations to provide an opportunity for the international community to re-engage with the issue of assistance to Africa. This was particularly true around the time of TICAD I in 1993, when assistance fatigue was setting in amongst developed nations.

Japan has provided assistance to Africa in a variety of sectors in accordance with TICAD’s basic philosophy. The performance of this assistance is outlined in figures 4-1 and 4-2. When TICAD first began in the 1990s, Japanese assistance accounted for over 5% of all DAC ODA disbursements, with most Japanese assistance directed to the economic infrastructure and services sector and the production sector (agriculture, forestry and fisheries). From the late 1990s to the early 2000s, assistance to the social infrastructure and services sector (education, water, health) increased in line with a growing focus on MDGs. From 2000 onwards, Japanese assistance to Africa dropped down to under 5% of total ODA disbursements, but amounts of assistance returned to 1990s levels in the late 2000s in line with a plan to double aid disbursements to Africa. Japan now focuses on providing assistance for infrastructure initiatives in the economic infrastructure and services sector (transport and energy).

#### **Figure 4-1 Japanese ODA disbursements to Africa**

(Upper figure: unit (\$100 million);

lower figure: Japanese ODA disbursements to Africa as a proportion of total DAC-country spending)

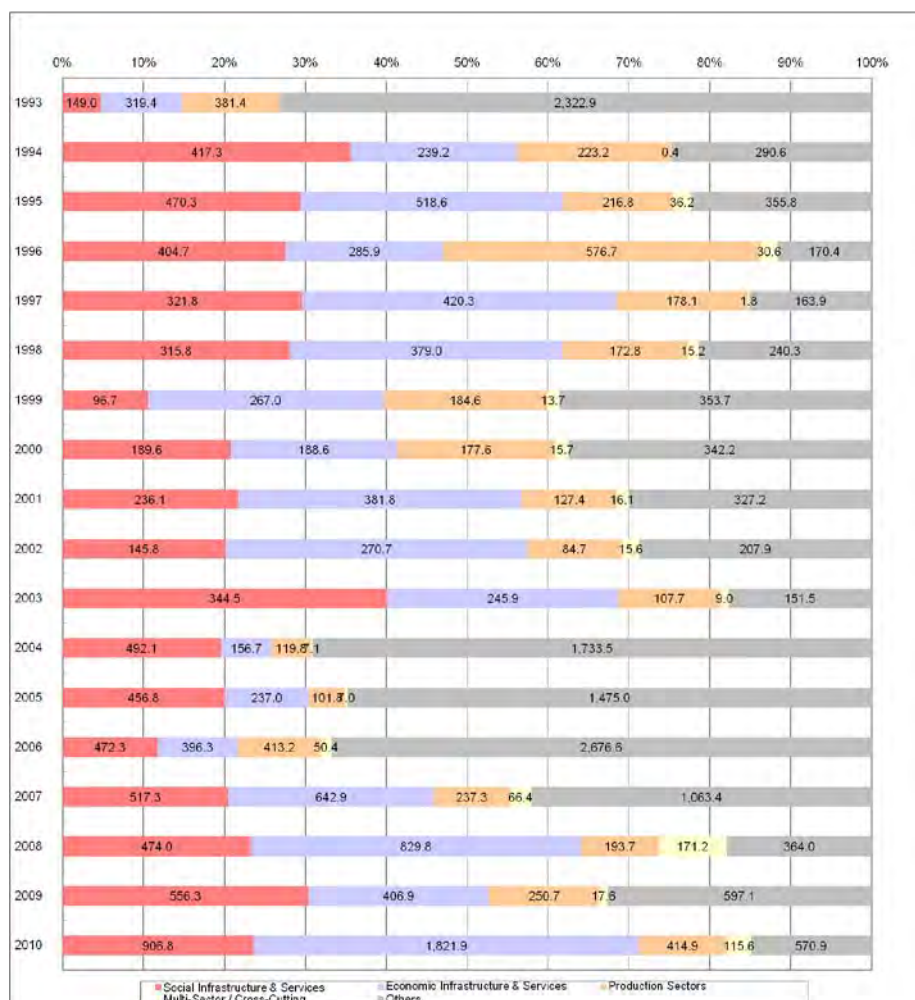


Source: Compiled using the OECD Stat Extracts database



**Figure 4-2 Japanese ODA disbursements to Africa by sector: Total and breakdown**

**(Unit: US\$ million, Commitment based)**



Source: Compiled using the OECD Stat Extracts database

As outlined in figure 4-3, Japan has steadily provided assistance to Africa in a number of focused areas set for TICAD V, including (1) regional infrastructure, (2) agriculture and food aid, (3) promotion of trade and investment, (4) community development, (5) education and human resource development, (6) healthcare, (7) water, and (8) the “Cool Earth Partnership.”

**Figure 4-3 Japan’s initiatives and performance with regards to TICAD V focused areas**

Focused Area	Outline of major initiatives
Regional infrastructure	<ul style="list-style-type: none"> <li>Until TICAD I- III (1993–January 2008), Japan had provided around US\$5 billion worth of infrastructure aid. It established the Enhanced Private Sector Assistance for Africa (EPSA for Africa) and met its pledge to extend yen</li> </ul>

Focused Area	Outline of major initiatives
	<p>loans to the tune of \$1 billion between 2005 and 2010)<sup>30</sup>.</p> <ul style="list-style-type: none"> <li>● Based on the NEPAD Infrastructure Short Term Action Plan (STAP), Japan has offered ongoing grant aid and technical cooperation: to introduce One Stop Border Posts at 14 locations; to develop regional road networks; and to install electricity supply lines in order to facilitate the development of electricity infrastructure. Japan also actively carries out surveys prior to implement projects<sup>31</sup>.</li> </ul>
Agriculture and food aid	<ul style="list-style-type: none"> <li>● Japan announced the “Coalition for African Rice Development (CARD),” an initiative aimed at doubling African rice production over a 10-year period following TICAD IV using the “New Rice for Africa (NERICA)<sup>32</sup>,” a new variety of rice developed by crossing a high-yielding Asian strain with an indigenous West African strain that is highly resistant to disease and drought. Through CARD, Japan is working to support regional agricultural development in Africa by promoting rice cultivation.</li> <li>● Japan has developed the “African Village Initiative (AVI),” a project based on the principle of “human security.” The AVI aims to support agricultural development and promote the self-sufficiency of local communities through the combination of a diverse range of programs including infrastructure development and capacity building in communities. Japan also supports the “African Millennium Village (AMV)” project as a way to help strengthen capacity in poor rural communities throughout Africa.</li> </ul>
Promotion of trade and investment	<ul style="list-style-type: none"> <li>● Japan convened the TICAD Asia-Africa Trade and Investment Conference (TICAD-AATIC) and the TICAD Africa-Asia Business Forum (AABF) to discuss policies aimed at the promotion of trade and investment between Africa and Asia. It also implemented “development initiatives” to carry out comprehensive support for trade and investment. These include: capacity building and infrastructure development for the production, distribution and purchasing stages; and the promotion, in principle, of open market access (quota free/duty free access). Japan has also promoted its own <i>kaizen</i> movement and the “One Village One Product Movement” (see chapter 5 for details).</li> </ul>
Community development	<ul style="list-style-type: none"> <li>● Japan offers technical assistance towards the implementation of the “One Village One Product Movement,” an initiative aimed at community and industrial development through the utilization of local resources. This movement is underway or being considered in several Africa countries (Malawi, Ghana, Senegal, Ethiopia, Kenya, Mozambique, Zambia, Nigeria, South Africa, Madagascar, Uganda, Tanzania and Tunisia).</li> <li>● The aforementioned AMV initiative has been rolled out in 12 countries.</li> </ul>
Education and human resource development	<ul style="list-style-type: none"> <li>● At TICAD IV, Japan pledged to build 1,000 elementary and junior high schools (around 5,500 classrooms) and train up 100,000 science and mathematics teachers. This initiative had recorded a number of successes up to October 2009. These include: the rolling-out of the “Strengthening of Mathematics and Science Education Project (SMASSE)” in 10 countries; the</li> </ul>

<sup>30</sup> MOFA press release (May 22, 2012); [http://www.mofa.go.jp/mofaj/press/release/24/5/0522\\_02.html](http://www.mofa.go.jp/mofaj/press/release/24/5/0522_02.html)

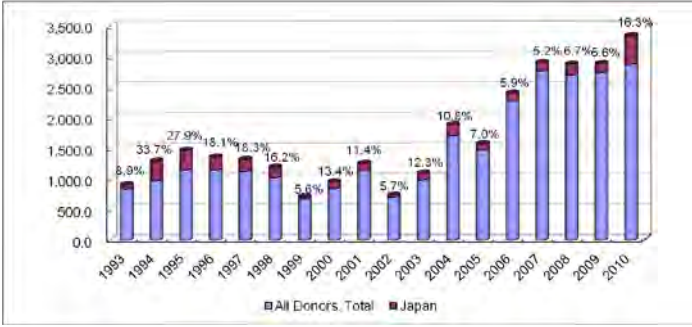
<sup>31</sup> “Japan's Initiative for Cooperation for Africa” (MOFA 2008);

[http://www.mofa.go.jp/mofaj/area/africa/pdfs/k\\_seisaku05.pdf](http://www.mofa.go.jp/mofaj/area/africa/pdfs/k_seisaku05.pdf)

<sup>32</sup> NERICA rice was developed in West Africa through the coordinated support of Japan, the UNDP, the African Development Bank (AfDB), the United States Agency for International Development (USAID), the Food and Agriculture Organization of the United Nations (FAO), and the Rockefeller Foundation. NERICA rice is full of protein and has a strong resistance to weeds and pests. It also grows quicker than indigenous rice strains (it can be cultivated in 90 days whereas indigenous strains take 140 days).

Focused Area	Outline of major initiatives
	<p>establishment of the SMASE-WECSA (Strengthening of Mathematics and Science Education in Western, Eastern, Central and Southern Africa) network at the heart of Kenya's SMASSE initiatives (33 nations and regions now participate and share knowledge through this network); the improvement of school management capacity of 10 thousand schools through the participation of local communities (the "School for All" model).</p>
Healthcare	<ul style="list-style-type: none"> <li>● Japan announced a "Health and Development Initiative" and an "Action Plan to Combat Infectious Diseases in Africa" as part of efforts to achieve MDGs. Since then, Japan has: distributed mosquito nets to help combat malaria (as part of the "Quick Win Actions" initiative, by 2007 Japan had donated around 10 million mosquito nets treated with long-lasting insecticides); contributed to the Global Fund to Fight AIDS, Tuberculosis and Malaria; supported policies to tackle bird flu; and established the Hideyo Noguchi Africa Prize. Japan has also contributed to programs tackling maternal and child health, family planning, information provision, female empowerment, and infectious disease prevention (such as HIV/AIDS).</li> <li>● In the healthcare sector, JICA has provided support to two important sub-sectors in particular; maternal and child healthcare; and infectious disease prevention. It has provided support for structure building in these sectors through the following three initiatives: improving the capacity of health administrations; enhancing the functions of health care centers and strengthening structural cooperation between these centers in order to improve the quality of healthcare services; and improving the quality of healthcare professionals<sup>33</sup>.</li> </ul>
Water	<ul style="list-style-type: none"> <li>● As outlined in the figure below, Japan has contributed greatly to improving access to improved water source across Africa. For example, Japan accounted for around 10-30% of all ODA spending on water supply and sanitation projects in Africa during 1993 to 2010.</li> </ul> <p style="text-align: center;"><b>Figure 4-4 Percentage of Japanese assistance to the water supply and sanitation sector</b> (1993-2010, Commitment based, Unit: %)</p>

<sup>33</sup> "JICA's Operations in the Health Sector—Present and Future," pp. 5-8 (JICA 2010).  
<http://www.jica.go.jp/activities/issues/health/pdf/positionpaper.pdf>

Focused Area	Outline of major initiatives
	 <p data-bbox="564 680 1115 703">Source: Compiled using the OECD Stat Extracts database</p> <ul data-bbox="564 741 1366 913" style="list-style-type: none"> <li>● In 2006, Japan launched the Water and Sanitation Broad Partnership Initiative (WASABI). Since then, Japan has: offered comprehensive support in the areas of water supply and sanitation in a manner that utilizes Japanese knowledge, experience and technical expertise; and implemented assistance that encourages self-reliance and also takes into account the needs and development stage of each country.</li> </ul>
The Cool Earth Partnership	<ul data-bbox="564 943 1366 1223" style="list-style-type: none"> <li>● The Cool Earth Partnership was introduced by Japan in 2008 as a 5-year mechanism to provide funds amounting to approximately \$10 billion in aggregate to developing countries across the world. The funds are dispersed to countries that are trying to contribute to climate stabilization through greenhouse gas reductions and sustainable economic development (36 African countries are participating in the project).</li> <li>● Japan contributes funds to the “Africa Adaptation Programme (AAP),” part of the “Japan-UNDP Joint Framework for Building Partnership to Address Climate Change in Africa.”</li> </ul>

Turning to Japanese NGOs and their assistance to Africa, and as interest in international cooperation grew in Japan from the 1990s onwards, a number of international cooperation NGOs and foundations were established, with NGO assistance to Africa subsequently increasing. Though the majority of NGO assistance is proffered to the Asian region, in 2011 25% of all Japanese NGO aid was disbursed to Africa in sectors such as human resource development, life support, disaster relief, and community building.

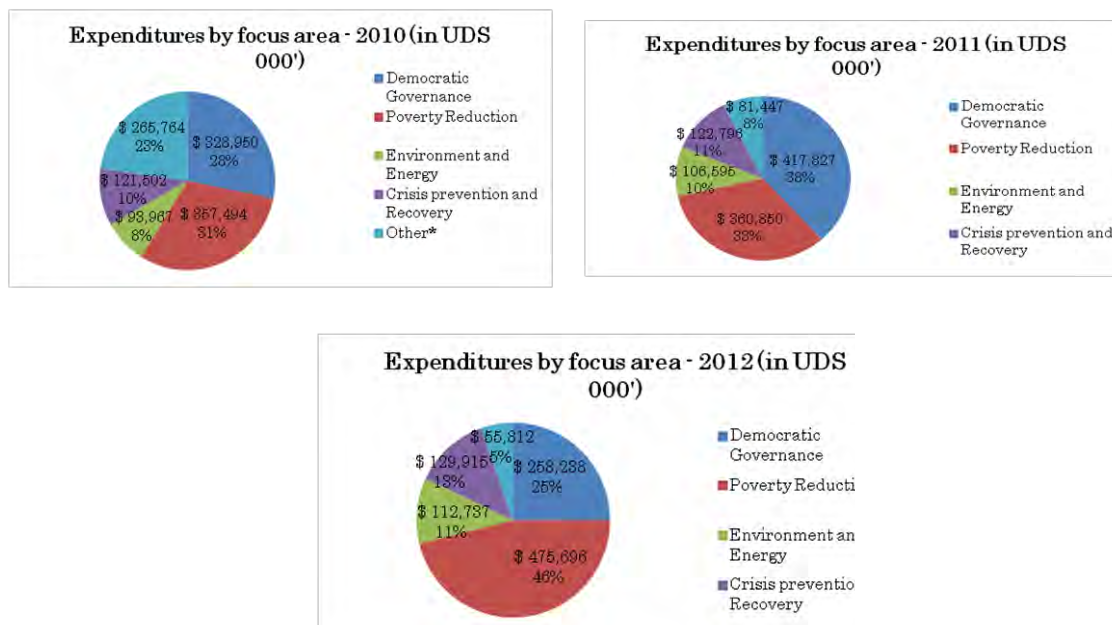
#### 4-2. Development assistance by TICAD co-organizers (UNDP and World Bank) and cooperation by other stakeholders

The UNDP, which also plays a coordinating role for the UN Development Group (UNDG) has consistently supported the TICAD process as a co-organizer since TICAD I. The UNDP supports African nations to help them achieve people-centered growth by: strengthening the private sector; expanding social protections; creating jobs for the poorest in society; and bolstering food security. In order to help African nations and societies become more resilient, the UNDP also supports initiatives aimed at preventing conflicts; building peace; and paving the way for long-term recovery. The UNDP also works to prevent human and physical losses by working to minimize the impact of

natural or climate change-related disasters and helps societies recover from these incidents. The agency also supports efforts to utilize Africa’s natural wealth in a way that is economically, socially and environmentally sound. It works to ensure sustainable development by supporting a development process that is less carbon-dependent.

The four pillars of the UNDP’s activities are currently: (1) Poverty reduction and MDGs; (2) Democratic governance; (3) Environment and energy; and (4) Crisis prevention and recovery. The agency works to strengthen capacity through knowledge sharing, analysis and advocacy. A glance at the figures for 2010–2012 reveals that 60–70% of total assistance was provided in two key sectors (poverty reduction and democratic governance).

**Figure 4-5 UNDP expenditures by sector (gross)**



Source: Information provided by the UNDP

In terms of south-south cooperation and triangular cooperation, which are emphasized by TICAD, the UNDP has launched the Special Unit for South-South Cooperation (SU/SSC). This unit aims to globally promote, coordinate, and assist south-south cooperation and triangular cooperation for development under the United Nations system. As the TICAD co-organizer, the UNDP contributes to TICAD process in wide ranging manners, including the substantive contribution to the formulation of the agenda for TICAD, concretization and operationalization of TICAD agenda, as well as the monitoring of the progress of the international collaboration towards the attainment of TICAD goals. It also assists the substantive and operational preparation for TICAD meeting at various levels (e.g. technical, ministerial etc.) and works with other co-organizers in the advocacy activities for both

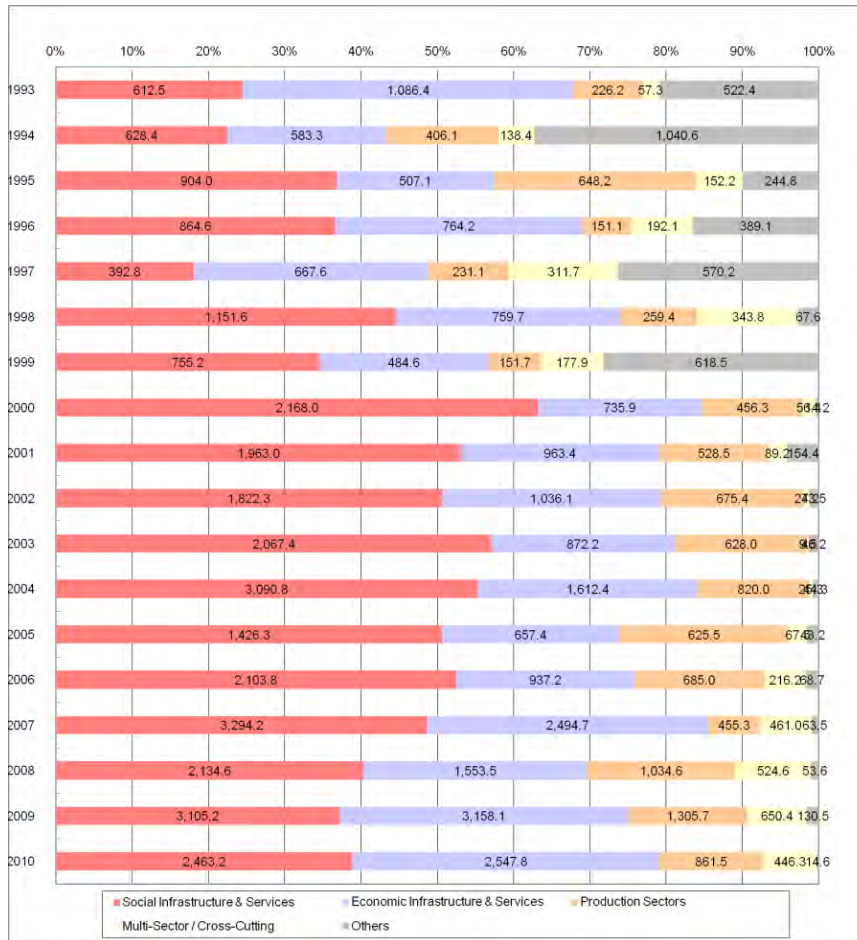
Japanese and global audiences.

The World Bank has been participating in the TICAD process since the TICAD ministerial-level meeting in 2001. It considers Africa to be a highest-priority development assistance region, and is the largest provider of development assistance to the African region. The major components of the IDA assistance to Africa are knowledge sharing, research and analysis, and policy advice. The assistance strategy is aligned with the priority areas and development needs identified by the African nations. The World Bank launched the Africa Action Plan (AAP) in 2005 to pursue the overall goal of promoting economic growth that considers the need for poverty reduction at the same time. The AAP has identified the following eight areas as important priority areas: (1) Strengthen private sector in Africa; (2) Enhance the empowerment of women; (3) Build skills for competitiveness in the global economy; (4) Raise agricultural productivity; (5) Improve access to and the reliability of clean energy; (6) Expand and upgrade road networks and transit corridors; (7) Increase access to safe water and sanitation; and (8) Strengthen national health systems and combat malaria and HIV/AIDS. In *Africa's Future and the World Bank's Support to It*, published in March 2011, the World Bank outlines its strategies for assistance to Africa, identifies (1) competitiveness and employment, (2) vulnerability and resilience, and (3) governance and public-sector capacity as focused areas, and spells out its vision and assistance strategy for the next 10 years. These strategies clearly demonstrate the World Bank's stance of proactively engaging in growth assistance, which includes infrastructure development and fostering private-sector growth.

In terms of size of the IDA assistance to Africa, the economic infrastructure and services sectors have received the most support in recent years. It is clear that the IDA operations support growth in Africa, including infrastructure and private sector development.

**Figure 4-6 IDA assistance to Africa by sector**

**(Unit: US\$ million, Commitment based)**



Source: Compiled using the DAC Statistics Database (CSR)

Although assistance to Africa by China, South Korea and India does not have connection with the TICAD process, the TICAD forums are open to other donors and institutions. In this regard, this section outlines initiatives carried out by these three countries as reference information.

Assistance to Africa is considered to be a priority among China’s foreign assistance program. It has been pointed out that behind China’s assistance is China’s desire to secure African resources and the appeal that Africa has as a market; and both the public and private sectors are working to strengthen China’s relationship with Africa.

South Korea became a member of the OECD Development Assistance Committee (DAC) in January 2010. It is committed to promote knowledge sharing and south-south cooperation within Africa. South Korea has placed ODA as its basic national strategy, and has put up its policy to utilize

ODA as a major tool of soft power.

Through the Indian Technical and Economic Cooperation Programme (ITEC), India has built cooperative relationships with the Economic Commission for Africa (ECA) and the African Union (AU). India aims to provide technical cooperation to Africa and share India's development experiences.

As international cooperation bodies, NGOs and foundations provide on-the-ground support in Africa based on their respective core strategies. The size of cooperation by some of these organizations is comparable to those of JICA's grant aid. In this way, substantial support is provided to Africa through NGOs, foundations and other channels, not just through ODA. While the support provided by these agencies takes many forms and covers many sectors, this chapter takes up the activities of major international NGOs/foundations, such as the Alliance for a Green Revolution in Africa (AGRA), the Bill & Melinda Gates Foundation, CARE International, Oxfam International, and World Vision. As this review shows, a substantial size of support has been provided to health sector, including anti-HIV/AIDS measures.

As various actors deepen their cooperation to Africa, TICAD is expected to become even more of an international development forum that promotes global partnership.



## **5. The performance, trends, and achievements of private-sector trade and investment assistance in Africa since 1993 (including northern Africa)**

Chapter five investigated fields related to assistance in the 17 items raised in the Yokohama Action Plan announced at TICAD IV in 2008 as measures to be taken within the next five years in order to promote and expand trade.

Private sector trade and investment assistance in this survey refers to a wide range of projects including not only financial assistance involving export finance, import finance, investment, guarantees, and trade insurance, but also exhibitions and seminars, information assistance through publications and websites, as well as advisory services to support for those entering the local market and the dispatch of business missions.

Section 5-1 describes the history of the trade and investment assistance for Africa as part of the TICAD process. Meanwhile, Section 5-2 discusses private-sector trade and investment assistance for Africa provided by the Japanese government and Section 5-3 discusses measures taken by the United Nations as well as the World Bank Group. Then, Section 5-4 discusses the achievements and trends in the private sector trade and investment in Africa beyond the framework of the TICAD process from the perspective of the world economy.

### **5-1. The position of private-sector trade and investment assistance in the TICAD process**

The very first discussion of private-sector trade and investment assistance for Africa started at TICAD I in 1993 under the Tokyo Declaration which recognized the importance of economic growth driven by the private-sector activities. In 1998 the organization of the “Asia Africa Business Forum” was suggested in order to promote trade and investment between Asia and Africa in the “Tokyo Action Plan” at TICAD II. In the “TICAD Tenth Anniversary Declaration” issued at TICAD III in 2003, basic principles were introduced in order to promote and develop both trade and investment for “assistance through economic growth,” which is one of the three main pillars of African development. Furthermore, at TICAD IV in 2008, trade and investment were defined as a field for specific assistance measures for Africa.

In the TICAD IV framework, various specific assistance measures in Africa were summarized in the “Yokohama Action Plan,” and the action plan for trade and investment included proposals for 17 items regarding: 1) the promotion and expansion of trade, 2) the encouragement of foreign investment, 3) private-sector development assistance, and 4) the promotion of tourism, all to be achieved in five years by 2012. TICAD V continues to include trade and development as one of the key areas.

**Figure 5-1 History of private-sector trade and investment assistance in the TICAD process**

Year	The TICAD process	Measures related to private-sector trade and investment
1993	TICAD I “The Tokyo Declaration on African Development”	“Economic Development through Activities of the Private Sector” was referred in the declaration
1998	TICAD II “Tokyo Action Plan”	“Private-sector assistance” was mentioned in the section on economic development.
2003	TICAD III “TICAD Tenth Anniversary Declaration”	The promotion of trade and investment was mentioned in the section on “poverty reduction through economic growth”—an area of focus in development.
2004	TICAD Asia-Africa Trade and Investment Conference (AATIC)	Four concepts were proposed as part of “Japan’s proposal for promoting Asia-Africa trade and investment” to develop African industry (“appropriate policy”, “product development”, “the development of small and medium sized enterprises”, and “social contribution by private companies”).
		Strengthening of private-public dialogue and partnership was emphasized in order to promote trade and investment between Asia and Africa as a “TICAD-NEPAD Joint Policy Framework for the Promotion of Trade and Investment between Africa and Asia”.
2008	<u>TICAD IV Yokohama Action Plan</u>	The “trade, investment, and tourism” section was included within “the acceleration of growth”—one of the five pillars in the Action Plan. The following frameworks were raised as focus areas:  <u>Promotion and expansion of trade;</u> <u>Encouragement of foreign investment;</u> <u>Private-sector development assistance; and</u> <u>Promotion of tourism.</u>

2013	TICAD V (planned)	<p>Three pillars of assistance for African economy</p> <p>Contributing to peace and stability</p> <p><u>Expanding development assistance, trade and invest</u></p> <p>Addressing global issues</p>
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Source: Compiled by Mitsubishi Research and Consulting Co., Ltd. based on the Follow-up to TICAD IV Annual Progress Report issued by the Ministry of Foreign Affairs<sup>34</sup>

## 5-2. Summary of private-sector trade and investment assistance measures provided by the Japanese government

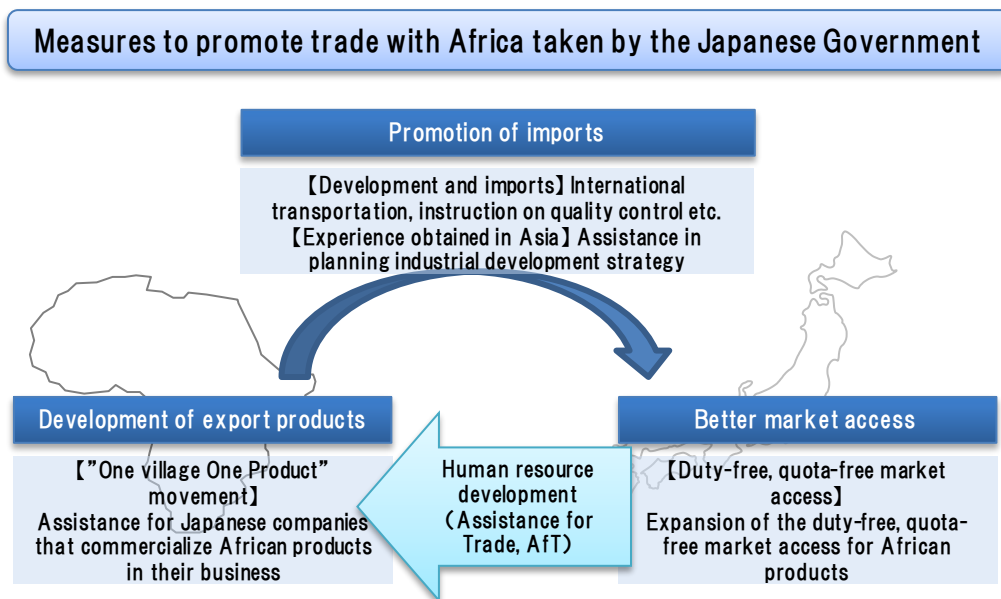
The Japanese government has been taking measures to assist private-sector trade and investment in Africa since the Asia-Africa Trade and Investment Conference (AATIC) held in 2004, 10 years after TICAD I in 1993. At the AATIC, the Japanese government introduced four concepts: “appropriate policies,” “product development,” “the development of small- and medium-sized enterprises,” and “social contribution by private companies,”<sup>35</sup> and these basic principles have been maintained for TICAD IV.

Among the 17 items for promoting private-sector trade and investment introduced in the “Yokohama Action Plan” in 2008, the Japanese government has taken certain measures for 15 items based on the experience of Japan. Some examples include assistance programs in setting out industrial development strategies utilizing the experience in Asia as well as the launch of projects to disseminate the “Kaizen” practices, a Japanese way to improve quality and productivity to Small and Medium Enterprises. It also includes the initiative for “Policy Dialogue on Industrial Development” and “One Village One Product” movement based on a local revitalization project in Oita Prefecture, Japan to develop local products from a town or a village into products for export. As part of the “One Village One Product” movement in Africa, the Japanese government has been promoting the independence of agricultural villages through product development assistance for Shea butter and Pu-erh tea, while also supporting the import scheme for development in order to export those products to Japan by giving instructions in international transportation. The Japanese government has been promoting the sales of those products in Japan.

<sup>34</sup> <http://www.mofa.go.jp/mofaj/area/ticad/report/index.html>

<sup>35</sup> The AATIC also included public-private dialogue and the strengthening of cooperation channels in order to promote trade and investment between Asia and Africa in the “TICAD-NEPAD joint framework” statement.

**Figure 5-2 Trade and investment assistance provided by the Japanese government**



Source: Compiled by Mitsubishi UFJ Research and Consulting Co., Ltd.

With regard to investment, the Japanese government has been assisting the development of small- and medium-sized companies in Africa and BOP businesses while promoting employment through human resources development and carrying out training for technology transfer. Furthermore, the Japanese government has provided trade insurance, loans, and business missions in order to support Japanese companies investing in Africa.

### **5-3. The performance and trends of private-sector trade and investment assistance measures for Africa taken by the United Nations and the World Bank Group**

The United Nations and the World Bank Group, which are the co-organizers of the TICAD process, have been providing a wide range of assistance measures for private-sector trade and investment in Africa. This section will give an overview of the performance, trends, and achievements of the programs led by the United Nations Development Program (UNDP), which is in charge of TICAD within the United Nations, as well as the World Bank Group including financial assistance involving export finance, import finance, investment, guarantees, and trade insurance, as well as exhibitions and seminars, information assistance through publications.

The UNDP has been carrying out local programs such as the development of the use of solar

energy in order to assist local agricultural production and the development of irrigation systems in cooperation with a Japanese trading company through the Growing Sustainable Business (GSB) program. The UNDP is also assisting regional development focusing on gender equality through the WID (Women in Development) Fund in Japan.

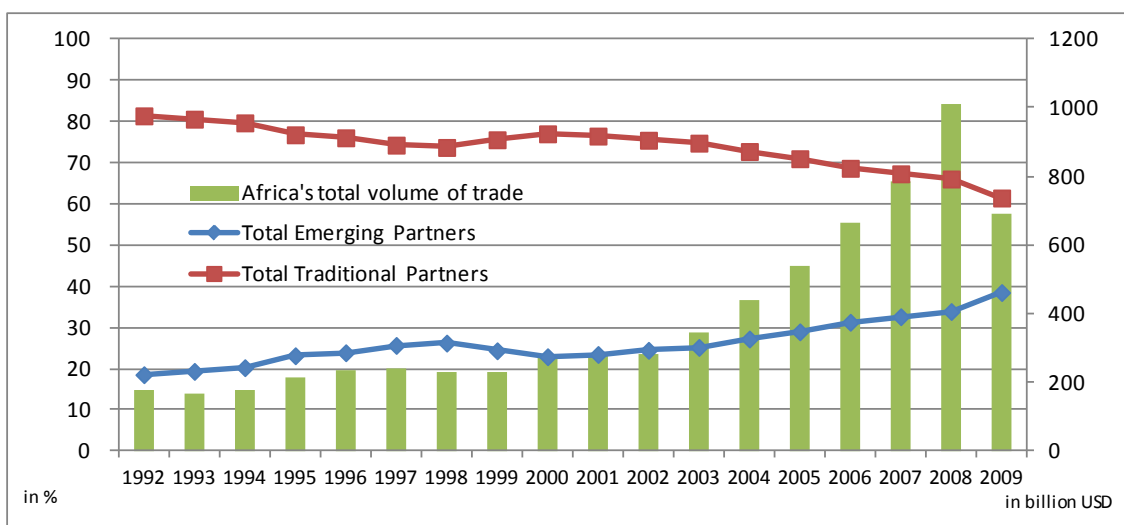
The World Bank Group has been providing a wide range of assistance, ranging from the expansion of the budget for IFC's trade and finance programs, the promotion of trade and investment by promoting the membership of the African Trade Insurance Agency (ATIA), and support for managers and investors committees in African countries to contribution to the expansion of programs to assist micro-, small-, and medium-sized enterprises.

In order to assist private-sector development, there have been programs to assist knowledge transfer related to the business environment, including export processing zones, labor and technological training, and trade-related matters. Furthermore, the World Bank Group has also been providing loans and technical assistance to countries engaged in the development of the investment environment while also providing information about the investment environment in Africa by publishing the *Doing Business Report*.

#### **5-4. The performance and trends of private-sector trade and investment in Africa (global)**

Since 1993, African economy has gone through a remarkable decade of expansion of trade, and notable change has been seen in relations with their "Emerging Partners". "Traditional Partners" of Europe and North America's share is still account for more than half of Africa's trade but its new partners make up a larger share of many of the dealings. Links with the traditional partners face profound changes.

**Figure 5-3 Historical trade volume in African countries (1992–2009)**



Source: Compiled by Mitsubishi UFJ Research and Consulting Co., Ltd., based on African Economic Outlook 2011 (OECD, 2011).

Left axis: Shares of emerging and traditional partners in Africa's Trade (in %)

The FDI inflow in Africa has also risen sharply since 2003 most of it went to resource-rich economies. South Africa is the leading economy on the African continent in terms of investment for Japanese companies however the ratio of Africa as an overseas market for Japanese companies accounts less than 1%, and Japanese investment has still been heavily concentrated in neighboring countries of Asia.

TICAD V emphasizes on “robust and sustainable economy” as one of the theme of its assistance for private sector activities. Topics such as promotion of infrastructure development, importance of agriculture sector for the economy, promotion of public-private partnership and reforms to improve invest climate is recognized as important agenda for next meetings.

## **6. Overview and lessons learnt of TICAD process**

The following overview and lessons learnt are based on interviews with experts, and civil society workshops.

### **6-1. Overview of TICAD process**

#### **6-1-1. Role of TICAD as an international development forum**

- Presentation of a new African development framework following the Cold War
- Since TICAD was launched in 1993, it has promoted highly transparent processes for agenda-setting, consultation, and monitoring, in partnership with the African countries as well as the United Nations and the World Bank, which are the co-organizers. TICAD has held in high regard African ownership and partnership with development partners, and it has anticipated important approaches in current assistance.
- TICAD has incorporated the values of human development and human security which are advocated by Amartya Sen, Sadako Ogata and the UNDP, and has significantly contributed to the mainstreaming of these fields in international development community.
- African aid prior to TICAD was primarily aid provided due to historical ties between former colonies and colonial powers or within the framework of the Cold War structure. The viewpoint of TICAD is particular to Japan, which has never controlled colonies in Africa but applies its experience in Asian development to African development. TICAD has presented an assistance model that utilizes Japan's Asian development experience in the new setting of Africa.

#### **6-1-2. Role of TICAD in the bilateral relationship between Africa and Japan**

- TICAD's part in the process of Japan's maturation as a donor country
- After World War II, Japan provided ODA with priority on economic development areas. This was based on Japan's development experience in Asia, where it promoted development by establishing systems and administrative capabilities mainly in East and Southeast Asian countries that had visions for economic growth.
- Meanwhile, through the process of considering African development via TICAD, Japan became keenly aware of the need to provide support for diverse fields. Japan became involved in overall African development, including conflict resolution and refugee assistance, and its perspective on international cooperation significantly expanded. UNDP, UNOSCAL/UNOSAA, GCA, the World Bank and others have greatly contributed to the

advancement of the TICAD process.

## **6-2. Lessons learnt from TICAD process**

### **6-2-1. Concept of TICAD as an international development forum**

- Further reinforcing African ownership of its development
  - Through the TICAD process, African countries have begun to think deeply about ownership of their own country's development. It is important for TICAD to continue conveying the message that it can make its own contributions in order to support African countries' ownership of their development.
  - Concurrent with the progress of the TICAD process, African countries have cooperatively engaged in African development by establishing AU and NEPAD, among others. With this sort of rise in awareness, the importance of coordination among African countries has come to be recognized.
  
- Need for further promotion of TICAD follow-up and perspective for long-term development
  - The follow-up process which was introduced starting with TICAD IV has been highly rated for the breadth of its scope and its process. In the TICAD process, it is important for both the co-organizers and the African countries to become active participating entities.
  - TICAD agrees on the achievements to be attained every five years, but it should take a longer term viewpoint, and based on that, it should consider "what to do now for African development."
  
- TICAD as an open forum for considering African development
  - TICAD should be a venue for productive discussion concerning successes and failures. While sharing African development experiences in an open manner with the participation of diverse donor countries, assistance agencies, civil society and private organizations, TICAD should agree on and monitor the direction of development.
  - Consideration is necessary so that civil society can access the TICAD process more. It is also important to reflect the content of all TICAD declarations and the voices of civil society in each country's development plan.



## 6-2-2. Concept of Assistance for Africa

- Selectively engage, condense targets, and utilize abundant resources in a focused way
  - Rather than selecting aid recipients that are broad and shallow in an attempt to please everyone, recipients should be selectively condensed, and abundant resources should be utilized in a focused way. Issues that are not interrelated should not be bundled as a “comprehensive” project, but rather the focus should be on mutually complementary programmatic initiatives.
  - How to provide the most necessary things to the region that needs assistance the most should be considered, based on human security. For example, this would include aid to resolve issues that are not necessarily solved by economic growth, such as poverty in a fragile nation.
  
- Promotion of economic structural transition
  - There is a need to further strengthen the production sector and the infrastructure aid that supports it as well as to promote improvement in agricultural and manufacturing productivity.
  - There are countries where the poverty rate does not decline even when economic growth is achieved, and so it is important to reduce poverty by creating employment. Employment measures are necessary not only for the middle class but also for those in absolute poverty.
  - For structural transition through Asian-type industrial policies, it is necessary to have a framework that can systematically promote south-south cooperation and share information with African countries on which policies worked and which did not, with the recognition that the policies are premised on Asian characteristics.
  
- Regional approaches that are responsive to diversity
  - In both the TICAD process and African aid, it is necessary to promote transborder regional aid for transportation networks including roads, railways, and so forth through regional mechanisms in all parts of Africa, together with deepening collaboration with AU.
  - Countries in Africa, including resource-rich and resource-poor countries, coastal and inland countries, and fragile states, feature diverse natural conditions as well as social and economic

conditions. It is important to incorporate the needs of countries and regions flexibly and to boost the effectiveness of aid through diverse methods, including financial cooperation, technical cooperation, and conflict measures.

- Promotion of public-private collaboration

- This is a time when public-private collaboration in Africa should be accelerated. From the viewpoint of development, investment in and promotion of trade by the private sector is welcome in the aspect of accompanying technology and know-how transfer from private companies.
- In addition to resource development, formulation of aid strategy should be considered while keeping in mind the relative dominance of Japanese companies in the rapidly growing African market. The three requirements are concentrated investment in resources such as corridor development, capacity development of government officials in African countries, and preparation of the investment environment through human resource development.
- It is necessary to have a philosophy of public goods-type contributions that lateral support by the government of the private sector's business development (rather than a short-sighted view of corporate support) is suited to the development needs of the recipient countries, and eventually such support benefits the global economy and society.

## **7. Summary of Experts' Views (Reference)**

### **7-1. Mr. Mark Mallock-Brown (Former Administrator of the United Nation Development Programme)**

(Assessment of the past activities of TICAD)

- Japan (TICAD) successfully incorporated the principles of human development and human security, advocated by Mr. Amartya Sen and Mrs. Sadako Ogata, mainly in TICAD II and III, making a major contribution to mainstreaming the relevant fields in the international development communities. I think these efforts have much in common with UNDP's efforts for human development.
- Regarding changes of TICAD's efforts, I see major changes when just comparing TICAD I with TICAD II and III. I understand that Japan has started to focus on fragile states and failing states and put more weight on human development. It is because, led by the philosophy of Mrs. Ogata, human security has become the focus in TICAD, and I share the same philosophy.
- In Africa, activities to support the private sector have been active and it is good that TICAD promotes such activities. However, the efforts of TICAD to support the private sector should not be based on a shortsighted viewpoint of helping businesses, but they need the principle of public contribution, e.g. they should address the development needs of recipient countries and eventually contribute to the global public goods.
- In Africa, "transparency", "rule of law" and "anti-corruption" are important development issues. However, the governance issues in Africa cannot be easily solved and are beyond the capacity of TICAD V.
- One of TICAD's success cases that deserve special mention is their efforts in the field of agriculture. I understand that the NERICA (New Rice for Africa) activities, which are comprehensive and program-like activities, are very important. The activities conveyed a message that led UNDP, who had tended to focus on sectoral activities, to turn its attention to such areas as economic policies and governance.

(About future activities of TICAD)

- Future TICAD conferences should not try to cover all development targets widely and shallowly, but should selectively narrow down development targets and utilize abundant resources intensively. Support to the private sector such as support to small and medium

businesses (in fragile states etc.) should be provided after the introduction of human security, which is an important activity of TICAD. TICAD should select important activities from these and focus on the ones that Japan think are the most effective. However, there are some points to remember, e.g. expansion of the private sector does create employment but such experience does not apply to fragile states. Regarding future assistance, I think it is important to focus on support to help the private sector function and also to turn to the poor in those countries and address basic human development including improvement of access to education and healthcare before providing support to the private sector.

- Support to the private sector as trade policies are considered to be for the transfer of technologies of donor countries and knowhow of private companies etc. and such aspect is welcomed by African countries. I think this is the field that can be actively tackled. However, TICAD should avoid activities that have already been carried out and should look for the fields where only TICAD V can create added value. Different fields have to be sorted out, e.g. fields where partnership with the private sector should be formed and fields where human security should be addressed. Japan promotes partnership between British companies and Japanese companies and supports the advance of Japanese companies into Africa. These efforts are highly regarded as establishment of cooperation with the private sector for TICAD V.
- As for the current scale of JICA's assistance after the merger of JICA and JBIC, it remains the same in that it maintains a scale to the World Bank and China as the scale of aids by a single organization; that Japan is still the leading donor country in Asia although Japanese aids are losing the impetus they once had (in terms of quantity); that Japan has been leading the DAC/OECD donors for a long time; that Japan has been addressing human security; and that Japan is leading the trading sector in the private sector. I think TICAD V has a relative advantage as a platform with such strengths.

## **7-2. Mr. K.Y. Amoako, ACET (African Center for Economic Transformation)**

(Assessment of the past activities of TICAD)

- At the TICAD II conference in 1998, the importance of true partnerships and setting goals and targets to monitor progress towards Africa's development was recognized. I am therefore glad to see that TICAD has been a pioneer in the partnership approach to development cooperation and using clear indicators to track progress. Of course with the MDGs, this approach has become widely used in the international development community.
- At that time, aid policies for Africa were mainly based on the Washington Consensus, with

disappointing results. However, the entry of Japan offered new perspectives on development for Africa. Policies, institutions, and capacity are key to Africa's economic development.

- “Capacity building” is based on the concept of “human-centered development,” which is the foundation of the MDGs as well. TICAD II raised capacity building as an essential cross-cutting theme for African ownership and to make any of the other initiatives work. And Japan made the issue concrete by introducing training programs for Africans.
- The Asian development experience shows the importance of institutions and capacities together with leadership with strong vision for economic development. TICAD is highly regarded for including these viewpoints in its policy elements. TICAD has also elevated the importance of South-South cooperation and, today, the connection between Africa and Asia is stronger than ever. In TICAD V, I would very much like to discuss Japan's experience in and the future vision for Asian-style South-South Cooperation. I believe the best practices of that model should also be promoted for Africa as well.
- Compared with other development forums, TICAD is highly valued in that it respects African ownership and partnership while considering the situation in each country. It is also good that TICAD carries out policy agenda setting, consultation, monitoring and other processes jointly with the African side and works with international development partners including the United Nations and the World Bank as co-organizers.

(About future activities of TICAD)

- While many African countries have grown steadily in the past decade, they still have many structural weaknesses. Many African countries have set poverty reduction targets, but growth alone is not enough to achieve these targets. To sustain growth and, therefore, to continue to reduce poverty, however, how you grow matters. Africa cannot continue to bank on higher commodity prices. And it cannot depend on aid forever. Economic transformation, as we champion it at the African Center for Economic Transformation (ACET), is growth through making the structural shifts from farming to manufacturing and services. It is growth through expanding the technical capabilities of people and institutions. It is growth through upgrading the technologies that people use on farms, in firms, and in government offices. A major part in our pursuit of the agenda has been to learn from Asian countries, especially those that have drastically transformed their economies in the last two decades, thanks in part to Japan's support. The focus of TICAD V should be to discuss strategies for transforming African economies and the role that Japan can play.

- In this regard, from ACET's research, sustaining growth and making it transformative requires focus on some key drivers: infrastructure, regional integration, export promotion, capacity building, and private sector development, to name a few. Japan and other development partners should give these areas priority in their programs.
- At a high-level forum in Busan, Korea, the principle of comprehensive global partnership was proposed to unify various development partners including those from developed countries, emerging countries and the private sector. It is important to promote this principle in TICAD V.
- It is true that African countries are diverse. And it is not possible to respond to all these diversities in every dimension. However, as we have to achieve results at the end, it is important to focus on specific fields and produce outputs recognizing individual country needs and priorities.

### **7-3. Mrs. Sadako Ogata (Special Advisor to the President, Japan International Cooperation Agency: JICA)**

(Assessment of the past activities of TICAD)

- Japan started to support other Asian countries in economic development after the war and, through the process of TICAD, started to pay attention to other countries than Asia. Now Japan considers not only mere economic or technical assistance but strengthening of ties with Africa. Japan especially considers more comprehensive African development, that is, comprehensive development of Africa including conflict resolution and assistance to refugees. In other words, Japan has started to consider how to provide what is most needed to the areas where assistance is most needed. I could say that TICAD process shows the broader view on international cooperation of Japan.
- Japan has sent out and contributed to the concept of human security. African countries had many issues including issues of poverty and self-governing capabilities through the process of independence. Based on the principle of human security, Japan is now able to develop various principles Africa needs when addressing such issues.
- Before TICAD, Japan and Africa did not have strong geographical or historical ties. Relations between Japan and Africa have been developed through TICAD. This is one of the important points of the TICAD process, and TICAD has been "fostered". Moreover, with such co-organizers as the World Bank and AU in addition to UNDP, an original co-organizer, TICAD has established a framework to see Africa as a whole. Support from such international organizations as the World Bank and UNDP was essential to multi-donor

approach.

(About future activities of TICAD)

- At OAU meetings, each member country strongly claimed its independence. Now Africa has much more integrative movements than that time. However, while we should support such integrative movements of Africa, we should also remember that African countries are extremely diverse and individualized approach for each country is important.
- When looking at Africa as a whole, it is absolutely necessary to expand agriculture first. On the other hand, industries have been created only sporadically. For industrial development in Africa, it is necessary to create transportation networks of roads, railways etc. and develop cross-border regions. However, such activities have been active only recently, and they could not have been carried out without integrative moves in Africa I mentioned earlier.
- Evaluation processes have been adopted since TICAD IV, and now interim evaluation is conducted to see how the direction of African development that all once agreed on have been completed. I think this should be changed into a very solid process. Through such process, donors will be given responsibility and aid receivers will also assume responsibility to respond. Then a healthy system will be created where the both parties serve as active implementing bodies. And this process will not be just for Africa but will be needed in the Middle East and many other regions.
- The major process of China becoming a donor will be important. China should draw on its experience to develop Africa, which is currently considered to be the most open region for development. It is true that China does not provide aid within the framework of DAC and is said to provide aid to acquire resources. However, I do not think its moves are against the framework of TICAD. TICAD is an important place to discuss how all the parties can cooperate.

#### **7-4. Mr. John Page (Senior Fellow, BROOKINGS Global Economy and Development)**

(Assessment of the past activities of TICAD)

- TICAD has been instrumental in drawing the interest of a wide array of Japanese people including politicians and corporate executives to Africa. In this way it has strengthened the environment to discuss development and aid to Africa in Japan.

(About future activities of TICAD)

- TICAD has traditionally focused on Japan's role among the members of the "traditional" international aid community. Currently with emerging donor countries such as China and Korea involved in aid to Africa in addition to the traditional ones, TICAD needs to showcase the unique contribution of Japan. I think it is important for the Japanese government to show its interest in countries through individual discussion and dialogue at the most senior level in the course of TICAD. TICAD represents an excellent opportunity for Japan to deliver the message that it can make unique contributions to solving development issues in Africa.
- I often hear from African countries that the approach of emerging donor countries – such as China -- is very different from that of the OECD-DAC countries. To me this competition between traditional and new donors is a positive thing, and it seems unlikely that they will be forced to choose one of the two approaches. When there is tension between the aid policies of the DAC countries and new ideas and approaches of emerging donors, TICAD can play an important mediating role. Japan, as a traditional donor, Korea, as a new DAC member, and China, as new donors, can engage in a dialogue in TICAD to identify examples of success and failure of aid approaches. TICAD could also be a place for African countries to discuss which aid activities achieved impact and which were not very effective. I think it will be good if TICAD becomes a place for such a substantive and productive discussion. TICAD could also be a place for discussion about how African countries can manage multiple donors effectively.
- The biggest difference in Africa's development prospects from about five years ago is that reserves of natural resources have been found in an increasing number of African countries. Many emerging countries are making investments in Africa for such resources. It might be beneficial for TICAD to discuss how African countries should deal with investments for natural resources. One aspect of the problem is that there are no experts or lawyers in recipient countries who can evaluate contracts when they enter into investments. Initiatives to build capacity in this area could be a subject for discussion in TICAD.
- Private investors have shown great interest in Africa's natural resources. While issues connected with natural resources are important I would also like to see TICAD focus on areas that other development forums for Africa often do not consider, for example, business opportunities in manufacturing. TICAD does not have to be used as a business forum in order to involve more private companies. It can present innovative ideas that will enhance opportunities for business in Africa from a Japanese perspective. . It will be important to avoid discussion about Africa as a single entity. This is not useful from the viewpoint of



strategic business development, because Africa is so diverse.

- TICAD should not try to deal with all fields at the same time (widely and shallowly). Given the diversity of Africa, it may be more productive for TICAD to focus on some countries and the issues that are appropriate to them (for example human development or economic growth) in greater depth. The conference should present new activities and knowledge. Thematic and country focus can shift from TICAD to TICAD, but selectivity is important.
- One characteristic of TICAD is promotion of Asia-Africa cooperation. Compared with other developing countries, Asia's strength comes from rapid structural change. African countries would like to share the experience of Asian countries, e.g. what worked and what did not work there. One example of selective focus would be for TICAD to explore growth models led by industrial policies. How did Asian economies move to activities with high added value and what are the implications concerning policies for late comers such as many African economies?
- TICAD could also be used to promote academic research – especially by Asian scholars into success factors in economic development. For example, TICAD could gather researchers from Asian countries for discussion on policies. One idea might be to create TICAD prizes for the best original research into development issues by an Asian scholars. This would reinforce intellectual leadership by Japan and make the forum sought after by researchers and scholars across Asia.

#### **7-5. Mr. Motoki Takahashi (Professor, Graduate School of International Cooperation Studies, Kobe University)**

(Assessment of the past activities of TICAD)

- Japan presented the concept of South-South Cooperation in the 1st conference and it was rated highly in the DAC's recent evaluation of Japan's aid activities. South-South Cooperation is receiving attention in recent discussions about improvement of aid effectiveness. Japan can be given credit for being the first one to present the concept.
- When we take a look at NEPAD, TICAD is mentioned as one of the development initiatives to be considered. If we are asked if Japan's aid has influenced Africa, the answer is definitely yes. However, it is difficult to assess the impact of the TICAD process itself.
- Generally speaking, ODA used to be provided through divisional operation; that is, the rich north provided aid to countries they had close historical ties with or had a stake in. As financial assistance from European donor countries was concentrated in Africa, Africa was

always the first one to be considered in discussions at DAC and Japan was often left out. Japan had to expand its aid outside East Asia in 1970s and later (especially during the Cold War) due to the necessity of strategic diplomacy after the oil shock and the pressure from the US to expand aid. In fact, Japan did not have its own firm agenda for assistance to Africa. Later as East Asia became richer, Japan had to expand its aid outside East Asia but Africa was not yet a major financial aid receiver from Japan. In this situation, TICAD can be considered a positive move for Japan to overcome such barriers. TICAD has a certain historical significance in that it helped Japan get out of the position as a mere regional power. It also had a great significance to Africa as major assistance from a non-western country.

- Although France has a framework for dialogue and cooperation with African countries, its focus is “having France as a leader”. Dealing with military affairs mainly, it is not just to discuss development. UK and USA do not have a similar approach to TICAD. TICAD has a historical significance in that it was the first forum for assistance to countries that do not necessarily have strong historical ties or actual economic relations.

(About future activities of TICAD)

- TICAD has become a kind of “festival” that is held every five years. However, it is precious that TICAD has been a place to discuss development for such a long time, and we should consider how and for what purpose we should change the structures of African nations and societies based on a long-term perspective instead of a short-term perspective of what we should say next year. It is important to ensure that African countries will collect tax and raise funds from the citizens including external residents so that they can finance development of their own country. African governments and nations have to be trusted by the citizens and, for this, improvement of economic governance and accountability will be important.
- It is required to establish a financial system for reasonable mobilization and distribution of excess funds in the country to the areas that do not have enough funds. (TICAD) should also actively deal with employment and education issues about how to develop highly productive young labor force and bring it into the labor market.
- It is beneficial to promote trilateral cooperation among Japan, East Asia and Africa.
- The key to the development of the manufacturing industry in Africa is how to participate in a global supply chain based on international specialization and integration of manufacturing processes. We should recognize the vision that part of the manufacturing processes of global supply chains will be transferred across the Indian Ocean to Africa in the future and we

should be prepared for it. The keys are security, institutions to support economic activities, physical infrastructure and above all, human resources of good quality.

- Recently a wide array of people in Africa has been involved in new development efforts. A system to make a public recognition of superior activities out of many voluntary activities will be useful.