

“Peace and Development in Africa: Upholding the Conditions”

Speech by Sadako Ogata at African Development Bank Group

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President of the African Development Bank Group, Mr. Donald Kaberuka, Distinguished Guests, Ladies and Gentlemen,

It is a great honor to have the opportunity to share with you my views on development and peace in Africa and my respect for the growing importance of the African Development Bank Group.

First of all, I wish to report to you that my organization, the Japan International Cooperation Agency (JICA) has entered into an important partnership relations with the African Development Bank (AfDB). On 29 October 2008, President Kaberuka and I signed a Memorandum of Understanding aimed at strengthening the collaboration between AfDB and JICA to ensure sustained economic growth throughout the African continent. We agreed that the areas of cooperation would be broad based, covering regional infrastructure development, agricultural productivity, private sector development, environment and climate change, water and sanitation and post conflict situations. JICA's Sub-Sahara Africa portion of the technical cooperation budget was increased from about 10% in the early 2000's to 24% in 2008. Moreover, with the integration of the ODA loan portion of Japan Bank for International Cooperation (JBIC) to JICA in October 2008, the capacity of JICA has been greatly enhanced. In 2008, JICA disbursed about 670 million US\$ under the ODA loan scheme for Africa, together with grant aid and technical cooperation. The partnership with AfDB has been indeed scaled up.

Development Aid for Sustainable Economic Growth

Since the end of the 1990s, I recognize the steady progress made by many African countries, showing an average economic growth of 6%, far above the international average. Based on the stabilization of the macro-economy, an encouraging progress has been taken in the provision of social services such as basic education, health, and water supply. The expansion of oil extracting capacity or the extraction of petroleum reserves have added to the overall growth of the continent.

Africa is taking great strides to realize the outstanding potential of its own people through self-reliant development. The challenge for Africa is to ensure sustainable economic growth under African initiative. Timely international assistance to Africa will foster both political stability and effective economic development. In these circumstances, I would like to discuss the role of development aid for the sustainable economic growth and peace of Africa.

TICAD IV

I would first like to refer to the extraordinary meeting on African development that was held in Japan last year. The fourth International Conference on Africa Development, widely known as TICAD IV, was held in Yokohama. Forty heads of state and governments from African nations together with representatives from international and non-government organizations assembled to discuss the future of Africa.

Throughout the process, greater emphasis was placed on “poverty reduction through economic development.” I think this strategy brought a breakthrough in development aid policy. In addition, the commitment to double ODA to Africa by 2012 has led the Japanese government to increase its assistance in several targeted areas such as infrastructure support and food security through rice production. It is our belief that economic growth must be promoted if we were to meet the targets of the Millennium Development Goals.

Infrastructure Support

Noting the rapid economic growth of Asian countries, President Kaberuka and other African leaders have become engaged in examining the so-called “Asian miracle” and sought ways to bring about “an African miracle.”

Looking back on the record of Asian development, between 1981 and 1994, for example, per capita GDP grew 6.45 percent in East Asia, outperforming the 2.97 percent achieved by Africa. The development of basic infrastructures substantially through Japanese cooperation accompanied by direct investments by the private sector helped bolster the region’s economic growth and the reduction of poverty.

The East Asian experience emphasizes the vital importance of key infrastructure development such as roads, ports and electricity. A start has been made in Africa with the planned construction of more interstate highways. JICA and the New Partnership for Africa's Development (NEPAD) are promoting the so-called One-Stop Border Post initiatives, setting up common posts for immigration control, customs and quarantine to be operated jointly by neighboring governments touching borders. Together with physical infrastructure construction, common procedures would be installed and training of immigration control and custom officers would be conducted by the neighboring countries. This concept is designed to speed up the flow of interstate commerce and movement of peoples. I believe that the benefits of economic growth should be shared across society at large. In short, if trans-national highways were to be built, they have to benefit the local communities and people. A call for a participatory and inclusive process must be emphasized if the current economic growth in Africa were to be sustained.

While calling for concentrated efforts to accelerate African economic growth, it is important to note that the TICAD IV devoted its attention on the modalities to be adapted to realize such prospects. In the symposium I organized with some African leaders including President Kaberuka, all the participants emphasized the primary role of the state in promoting development of infrastructure and technological capacity building. They also duly noted the importance of promoting the public-private partnership in recognition of the role of the private sector as the driving force for economic growth. It is critical that African leaders themselves have begun to examine the relevance of social and political institution building in order to accelerate economic growth.

ICT

In Asia, JICA has established an ASEAN-wide network of top level engineering institutions dedicated to enhance engineering skills. The project is called the SEED-Net or Southeast Asia Engineering Education Development Network. Based on these experiences in Asia, JICA also has promoted ICT cooperation in Africa. Recently, several African countries have adopted national development policies focused on science and technology, particularly ICT as the basis for their economic growth. In Rwanda, in response to its ICT led development initiative, JICA is promoting projects covering technical education and public health services. In Egypt, JICA launched the E-JUST initiative

(Egypt-Japan University for Science and Technology), and is collaborating in a major higher education program to advance nationwide science and technology education.

CARD

For the acceleration of agricultural productivity in Africa, JICA with the Alliance for a Green Revolution in Africa (AGRA) and the New Partnership for Africa's Development (NEPAD) jointly launched the Coalition for African Rice Development (CARD) initiative aimed at doubling Africa's rice production by 2018. We work with our African partner countries, bilateral donors, the World Bank, the AfDB, research organizations and other partners interested in rice production, to initiate a "green revolution" in Africa. Since its inception a year ago, the 12 "first wave" of African rice producing nations have already prepared their National Rice Development Strategies. At the second General Meeting of the CARD which was held in Tokyo in the first week of June, AGRA represented by Mr. Kofi Annan, Chair of the Board of Directors and JICA signed the agreement to strengthen the cooperation to promote rice production in Africa and to increase the support to African institutes engaged in this work.

Currently around 200 JICA experts and Japan Overseas Cooperation Volunteers (JOCV) are working in Africa to promote the green revolution. One ongoing project is the development of a new high yielding and drought and disease resistant rice variety, the New Rice for Africa known as NERICA. The new variety, a hybrid of African and Asian rice strains, is already growing in some African countries. In Uganda, for example, NERICA accounts for approximately 30% of that country's overall rice production today.

JICA's cooperation in the agriculture sector focuses on not only rice production but also on improving livelihood of farmers in the comprehensive rural development program. In many African nations, while average annual economic growth rate was 6%, the appalling truth is that the disparity between the rich and poor also widened. On the one hand the spread of globalization has fostered investment climate creating new employment opportunities, but on the other hand it has left many people behind. I believe that agriculture development is indeed an important social safety net.

Cool Earth Partnership

Climate change is one of the critical issues affecting the development of agriculture in Africa. Last year, the Japanese Government announced the “Cool Earth Partnership” program, a capital mechanism for climate change measures. The program plans to use over 10 billion dollars spread over 5 years starting in 2008 for climate change measures in developing countries. We must also make use of this mechanism in Africa, and proactively introduce “adaptation” and “mitigation” measures to address climate change actions against flood, drought, desertification and water crisis.

Development Aid for Peace Building and Reconstruction

For achieving social and economic development and meeting the Millennium Development Goals, ensuring peace and stability is the most important prerequisite for Africa. Conflict directly threatens people’s security, and is the largest factor hindering sustainable growth. In many of the African states which suffered conflicts in recent decades, international efforts were directed mainly to peace building after the conflicts.

I began my long association with the continent in the 1990s as the United Nations High Commissioner for Refugees but since that turbulent era, the overall level of conflict has fallen. I appreciate Africa’s own efforts, channeled through individual governments and people. I would like to note the role of the African Union (AU), in helping resolve many longstanding conflicts and in instituting a degree of political stability.

For example, at the settlement of the crisis that fell on Kenya following the December 2007 elections, I observed the strength of the broad leadership strata that had grown in Africa, centered in the AU. What was most impressive was the fact that the crisis was averted from spreading further, and that the conflict was settled through intense political negotiations. These negotiations were initiated and carried out by Mr. Kofi Annan and other African leaders such as former Tanzanian President Mkapa, former Mozambique Minister and First Lady Graca Machel. The AU was fully in the lead with Chairman Kufuor taking the initiative and continuing to provide support. The action and strong solidarity demonstrated by the AU proved that the federation has transformed

its approach from a traditional stance of ‘non interference’ in the affairs of member states to one of ‘non-indifference’ in trying to actively solve the continent’s problems. I cannot but commend this approach very highly.

Humanitarian Assistance and Development Assistance

Since the 1990’s, development cooperation has sought ways not only to alleviate poverty, but also to contribute to economic management and state governance. The development community has become more fully involved in post-conflict recovery and peace building operations, though as yet, it has not yet identified its role, nor clarified its policy with regard to conflict prevention.

In my former capacity at UNHCR, I was engaged in humanitarian assistance that had to lead the way in the early reconstruction efforts in many post-conflict sites. In Rwanda, the outflow of Rwandan refugees started in 1994, but, in October 1996, large scale repatriation began due to the volatile situation in the Congo. The rehabilitation work had to keep up as refugees returned, and could not wait for careful planning by the development community. The Rwandan government insisted that a quarter of the entire Rwanda population consisted of returning refugees, and therefore had to be addressed by UNHCR and the humanitarian agencies on emergency terms. UNHCR had to simultaneously carry out repatriation and reconstruction work. Immediate solutions had to be found to meet the shortages of schools, equipment, teachers and funds. To make repatriation sustainable, we had to examine the circumstances and causes of the Rwanda conflict, and directly address the underlying problems. In short, our contributions had to aim at rebuilding Rwandan society, through advancing national reconciliation.

From this incident, one major lesson learned was the relevance of immediate post conflict rehabilitation and reconstruction work. The humanitarian agencies who had been involved in assisting the victims during the conflict were aware of the most basic reform needs. I believe that development cooperation should step in as rapidly as possible with its larger resources and greater expertise. It is important that the rehabilitation requirements of the people, their basic needs and communal life could be turned over to the incoming developers. However, we have to take into account the reality that a “gap” will continue to exist between the humanitarian and development operations in most post-conflict peace building efforts.

“Gap” Issue

In this sense, I recall addressing the “gap” issue, with Mr. James D. Wolfensohn, the then President of the World Bank Group at Brookings Institution Round Table Meeting in January 1999. We agreed to focus on how to plan and strengthen national and international capacity to address impending needs through combined efforts of humanitarian aid, human rights observers, police and peace-keeping presence.

However, in the transition from war to peace, early and comprehensive social and economic reconstruction and development activities play a crucial role in building infrastructure for a peaceful society. Last September, at the International Institute for Strategic Studies in Geneva, Mr. Robert B. Zoellick, President of the World Bank Group confirmed his understanding and commitment to assisting “fragile states” by bolstering local economy through “local ownership” building. As mentioned earlier, post-conflict situation is one of the priority areas for cooperation between AfDB and JICA. I welcome the recent commitments for early post war reconstruction by regional and international development banks such as AfDB and the World Bank as integral part of their development agenda.

JICA’s effort in Peace Building and Post-Conflict Reconstruction

JICA, has also been concentrating on filling the “gap” and extending its assistance at the onset of post conflict situation in the following countries; Afghanistan, Burundi, the Democratic Republic of Congo, Sudan, Somalia, Sierra Leone and Iraq, where emergency humanitarian assistance requires the quick follow through by development assistance. In pursuing this goal, we particularly observe three main rules; 1) quick and timely support, 2) seamless transition from humanitarian assistance to reconstruction and 3) ensure that the benefits of peace reach the people.

One example of such situation can be found in Southern Sudan where some million people uprooted by the recent war have begun to return to regions totally devastated by years of conflict. To speed up the rehabilitation process, JICA helped construct a port on the River Nile in the southern capital of Juba. The port facilitates the movement of people, food and freight to one of the most inaccessible regions of Africa. Life is slowly but surely returning to this remote part of the continent.

The transition from conflict to peace is a complex and long-term process, and in this context, issues of justice and reconciliation are extremely important. In the early days after the conflict when memories of killings were ripe, it was extremely difficult for the people to learn to live together. The cry for justice was extremely strong. JICA held a seminar on this topic for the people engaged in peace building efforts in post-conflict countries. The main argument that came out of this seminar underlined the importance of connecting justice to community-based actions to promote reconciliation and trust rather than limiting issues of justice to the judiciary. JICA has included these conclusions in its training programs for those who engage in peace building activities.

Development Aid for Conflict Prevention

The key challenges to spreading the benefits of economic growth are containing military action, providing a basic living environment and creating a balanced socio-economic foundation. For this reason, I believe that development aid can and should play a large role in reconstruction with a clear view of contributing to preventing conflicts.

In fact, there is a growing recognition among members of the United Nations and various government circles of the vital importance of addressing conflict prevention. The support for preventive action grew in the aftermath of the disastrous consequences of the 1990's in many parts of the world, most especially in the Great Lakes region of Africa that caused the genocide in Rwanda. However, looking back on the major conflicts of our times, we note that we have tended to overlook the economic, social and political downturns which lead to extensive and devastating conflicts. If we were to modify our individual assistance with conflict prevention in view, greater attention would have to be directed to comprehending and addressing situations of serious and sudden downturns.

Research Activities for Conflict Prevention

History has proven that confronting the past is the only way to learn to prevent the recurrence of past mistakes and lead to successful reconstruction. First steps were taken at a conference in Wilton Park in November 2007 that was organized by JICA and cosponsored by United Nations Development Plan

(UNDP) and a group of international researchers. A lot still remains to be dealt with on the overall role of economic development assistance for global peace and prosperity. The newly established JICA Research Institute has embarked on research projects, with prominent researchers from Japan and abroad, to identify pointers to effective state-building in post-conflict situations. I expect that the institute would contribute to deciphering various signals that would possibly lead to serious downturns, by taking a political economy approach that would coalesce changing political power relations, economic trends, and a host of social mores and population movements.

Birth of JICA

Distinguished guests, I would now like to devote the last part of my lecture on the reorganization of JICA and its new role.

As you may know, JICA was reorganized in October of last year. JICA merged with the overseas economic cooperation operations of Japan Bank for International Cooperation (JBIC) thereby forming a new and unique organization that incorporates soft loans, grant aid, technical cooperation and even volunteer work. This marks the birth of one of the largest organizations performing bilateral aid in the world, with annual financial resources of over 11 billion dollars, covering operations in 155 countries around the world.

The main advantage of the reorganization is that for the first time a single agency will be able to offer a complete package of assistance to developing countries; some 1.6 billion dollars in technical assistance, 1.1 billion dollars in grant aid and a further 8.2 billion dollars in soft loan for medium to long term development.

With this merger, we are now able to operate infrastructure development and capacity building in a more efficient and integrated manner. More specifically, we are to provide integrated assistance through infrastructure development using yen loans and grant aid, and we are particularly keen to develop people's capacity linked to institutional capacity building. I believe that the new JICA can and must scale up its operation, from technology transfer to individuals, to capacity development of organizations and institutions, ultimately leading to country and state building.

Human Security

In Japan, the 'human security' concept was incorporated into the ODA policy framework and increasingly became the cornerstone of my own agency's policy. JICA has adopted guidelines in project implementation including: 1) reaching those in need through a people-centered approach; 2) empowering the people as well as protecting them; 3) focusing on the most vulnerable groups whose very survival or dignity are at risk; and 4) comprehensively addressing both 'freedom from want' and 'freedom from fear.' JICA has endeavored to reach those in need through human security-based projects which are more inclusive and cross-sectoral in character.

What are the implications of adopting a "human security" framework in the development strategy for Africa? Greater attention should be given to the participation and empowerment of people in the development process. Without creating the sense of ownership at the national and community levels, efforts toward overcoming the chronic insecurities confronting people in Africa will not be sustainable. The role of national and regional civil society organizations should be strengthened and we must think of ways to translate the outcome into effective actions and programs at the community level.

During my first five years as JICA president, I emphasized importance of taking a field-based approach to JICA operations. Staff was moved to field positions encouraging closer grass-roots cooperation between them and local communities. Projects were planned and implemented more closely to meet the specific needs of these people. Underlying this field-led approach is the concept of 'human security' which gives the primary focus of development assistance to the welfare and security of people and local communities.

Financial and Economic Crisis

The current financial and economic crises which started in developed countries have been gradually affecting the African economy. On the whole, as the price of mineral resources such as oil, copper, cobalt and diamond decreased, countries whose economies relied mostly on the export of these minerals have been much affected. While Angola, with its oil export, recorded an average economic growth rate of 15 % in the past few years, its annual growth rate in

2009 is projected to decline to 3%. In Sudan, the decrease of earnings from the oil extraction has caused a deficit in revenue. As the influence of the financial and economic crisis extends to many countries, the risk for destabilization increases even in countries where peace building, reconciliation and reconstruction have steadily progressed.

Inevitably, in this situation, the poor and most vulnerable people are the ones that feel the crunch the hardest. I just recalled that for economic downturns of the kind that traumatized the people of Asia in 1997, the international financial institutions were in possession of certain rescue mechanisms, even if inadequate. Financial assistance was extended to troubled countries combined with stringent domestic adjustment measures. What became clear was the need to hasten up to make available the remedies to social safety measures, in order to assure the “human security” of affected population.

It might be true that, due to the current financial and economic crisis, sustainable economic growth in Africa is threatened. However, I remain hopeful for the future of Africa and its peoples with the belief in the strong leadership of African leaders, and I think that now is the time to redouble our efforts. At the TICAD IV Follow up Meeting in Botswana in March 2009, Japan committed to maintain the pledged volume of its assistance for the sustainable economic growth and facilitate the implementation to tackle this crisis. I would like, therefore, with all of you present here today, to explore ways to bring about concrete actions to help promote peace and prosperity in Africa. It is high time that we translate principles and policies into practice.

Closing

Before coming to Tunis, I participated in the international conference entitled “Is Development Aid Producing Effective Result?” in Ditchley Park, the United Kingdom from 11 to 13 June. We attempted to assess the true effectiveness of overseas development assistance in the last decades and discussed whether new policy is needed. Discussions on aid effectiveness usually tend to focus on aid flow, process and methods of input such as modalities and harmonization. However, I reaffirmed that aid effectiveness should be measured by how the daily lives of the people and communities in developing countries are improved – more prosperity and more security.

JICA will continue to contribute to the development of Africa together with international partners. JICA will work closely with the African Development Bank both in helping formulate common international strategies to address increasingly complex development problems, and also at the practical level, in coordinating field activities. By following up the various outcomes of TICAD IV, JICA will pledge to be Africa's helpful partner and grow with you toward peace and prosperity.