



Civil Society Reaction to Opening Speech by Prime Minister Fukuda

May 28th, 2008, Yokohama: At the opening ceremony of the Fourth Tokyo International Conference on African Development, the Japanese Prime Minister delivered a speech, in which he announced various development supports for Africa for the coming 5 years. TICAD IV NGO Network and 2008 G8 Summit NGO Network have together issued the following reactions to some of the announcements made.

Aid to Promote Private Sector Investment to Boost Economic Growth

Prime Minister first noted rapid economic growth that Africa is seeing, and announced various supports including USD 4 billion in loans for transport infrastructure, trade insurance and a USD 2.5 billion worth of financing support for Japanese companies, seeking investment opportunities in Africa, all over the next 5 years when the next TICAD will be held.

While there is no doubt Africa needs growth, we civil society believe that this is exactly the time to prioritise direct invest in the areas of Millennium Development Goals (MDGs), both because many African societies suffer from social and economic divides and in order to ensure that poor people can take part in the economic activities.

Civil society is also concerned the implication of this large amount of loans on the poor communities in Africa. Africa's current debt crisis started with the plummeting primary commodity prices. It is not clear whether the current growth is sustainable, and it is questionable whether Africa will have the capacity to repay the loans announced today.

Millennium Development Goals

Fukuda reiterated the importance of achieving the MDGs, and committed Japan to support reproductive health and train 100,000 health workers in the coming 5 years. Although welcome in itself, the plan does not go far enough to help Africa reach the health MDGs. Africa's public health sectors suffers from the huge lack of money to recruit and pay for their human resources, so the trained and qualified people have little choice but to migrate to rich countries. If Japan is serious about overcoming the health worker crisis, then it needs to be prepared to pay for these expenditures.

Prime Minister also mentioned the pledge he made last week to contribute USD 560 million to the Global Fund to fight Aids, TB and Malaria for the coming few years. But unless this is disbursed by the end of 2010, it will not lead to an increase of Japan's contribution.

Considering TICAD's repeated emphasis on the role of education in creating an equitable society, it is mysterious to see Fukuda not mentioning the issue. Japan must increase its financial contribution to the Education for All Fast Track Initiative.

Increase of Aid to Africa

Prime Minister announced the country's plan to double grant aid and technical assistance to Africa. According to the information material distributed by the government at the TICAD venue, this doubling will be "excluding debt relief". This is a marked step forward, as most of the last "doubling of aid to Africa" announced by the then-PM Koizumi in 2005 has disappeared in the form of debt relief. Japan now must

combine this with a timetable to increase its overall aid from the current 0.17% of GNI to 0.7% so that this increase of aid to Africa will not end up robbing the needed development finance from other regions.

Climate Change

Fukuda highlighted the USD 10 billion finance for developing countries trying to reconcile economic growth and climate mitigation objectives, as part of Japan's Cool Earth Partnership. However, this money is mainly aimed for large emitting developing countries, and it is not clear how much of it will be distributed to Africa, whose primacy problem of climate change is adaptation rather than mitigation. NGOs also stressed the need for climate finance separate from and in addition to the 0.7% GNI commitment on ODA, and for it to be spent through the UN Adaptation Fund which ensures majority developing country say.

Lastly, Africa will continue to suffer as long and as much as Japan continues to cause global warming. Japan must set and achieve an ambitious mid-term Green House Gas Emission reduction target, as well as providing adaptation financing to African countries.

ENDS

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