



The G8, UK Aid Policies for African Development and Implications for Japan

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ODI Japan Visit Report – Executive Summary

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Executive Summary

A team of four from ODI visited Tokyo during the week of June 6 2005 (Simon Maxwell, David Booth, Julius Court and Karin Christiansen) as part of our JICA-funded work on UK-Japan aid issues and the implications for Japan of the UK's focus on African development in 2005.¹ We also wanted to learn about Japan's development community, particularly its views about East Asia's development experience and how Japan's aid may have accelerated it.

The programme included meetings with:

- JICA – including President Madame Ogata, Vice Presidents Seiji Kojima and Kazuhisa Matsuoka, Tsuneo Kurokawa (Head of Africa Department) and other staff including the Director and Staff of the JICA Institute for International Cooperation (IFIC);
- JBIC – including Executive Director and Deputy of the JBIC Institute (JBICI) (Shozo Kitta and Ryutaro Koga) and operational staff from the Development Assistance Strategy Department and Africa Department;
- Ministry of Foreign Affairs (MOFA) – Kazuo Kodama (Deputy DG of the Economic Cooperation Bureau) and staff as well as Mr Mabuchi and his staff at FASID (a think-tank affiliated with MOFA);
- We also met with other stakeholders including representatives of think tanks (JICA-IFIC, FASID, GRIPS), leading researchers (Shigeru Ishikawa, Yasutami Shimomura and Toru Yanagihara) and international agencies (United Nations University and Asian Development Bank Institute).

There were also three 'events':

- a large workshop on Aid to Africa organised by IFIC (DG Toru Taguchi, Kyoko Kuwajima and Koji Yamada), attended by about 130 people;
- a lunchtime seminar on UN Reform at FASID (Executive Director Mutsuo Mabuchi and Junko Ohara), attended by about 80 to 90 people²; and,
- a high-level workshop on PRSPs and aid at GRIPS (Chaired by Izumi Ohno) – including a panel with Takehiko Nakao (Director in the International Bureau at the Ministry of Finance), JICA VP Seiji Kojima, JBICI Executive Director Shozo Kitta and Mr Kazuo Kodama from MOFA. The workshop was attended by about 45 people.

¹ See English and Japanese websites: http://www.odi.org.uk/rapid/Projects/UK_Japan/

² See: http://www.fasid.or.jp/chosa/forum/bbl/bbl_17.html

Key discussion issues included the following:

- It certainly felt that Japan is turning a corner after almost a decade of budget cuts. There is a lot of reform happening in the Japanese aid system – with a new ODA Charter, increasing coordination from MOFA, reform processes in JICA, a doubling of aid to Africa, debt relief provision and new efforts regarding how to loan to Africa. There is minimal enthusiasm in Japan for the IFF.
- It is clearly a period of policy ferment and there seemed substantial interest in discussing all kinds of aid policy issues in order to inform the debate in Japan.
- It was clear that budget support was one of the hottest topics – there is no inherent opposition in Japan and this modality is actually already used in Indonesia and Viet Nam as well as the more well-known pilot in Tanzania. There may be some limited extension to Ghana and Uganda.
- Traditional Japanese interests in infrastructure and private sector development are still very prominent. There is interest that the Commission for Africa (CFA) has given prominence to the productive sector (especially infrastructure). There is a feeling that DFID does not give enough prominence to these issues.
- Much discussion on governance and agreement on the importance of politics for development – and the need for donors to address political issues more directly, especially in Africa.
- Many interesting comparisons between Asia and Africa – regarding starting conditions, developmental states, economic strategy, role of aid, etc.

The visit went very well and generated a number of ideas for next steps, including:

- An ODI-run study tour for Japanese aid officials – visiting UK development assistance institutions and hosting discussions on the key policy issues.
- Joint study with IFIC (a working group of researchers and policymakers) on Fragile States. Other possible issues included Direct Budget Support, development states in Africa, infrastructure, etc.
- Joint capacity development courses at the African Institute for Capacity Development (AICAD) in Kenya.
- Continue reporting (every 2 months) on UK and European development issues.
- Closer analytic or operational work at the country level in Africa.

The key issue in the longer term is that Japan will be in a similar ‘development spotlight’ position in 2008 (chair of G8 and hosting TICAD IV) to that of the UK in 2005. To maximise the opportunity of these rare periods when development has an added political profile, it is crucial to prepare ahead. ODI can help.