

FY 2012 Development Aid Survey and Research Work on  
“Effective Utilization of Asia’s Resources in Africa  
(Potential for South-South Cooperation and Triangular Cooperation)”

Summary

Background and Purpose of the Survey

The purpose of this survey is to collect and summarize information regarding south-south cooperation and triangular cooperation of other donors for aid-recipient countries, to carry out a comparative analysis of south-south cooperation and triangular cooperation in each country, and to determine the issues regarding effective utilization of Asian resources in Africa. Additional objective is that the survey results would constitute a basic document to contribute to international discussions on south-south cooperation and triangular cooperation in the context of a proposal from Japan for a project on the theme “Effective utilization of Asia’s resources in Africa” at the Tokyo International Conference on African Development (TICAD V) to be held in June 2013.

1. Triangular Cooperation and South-South Cooperation by the Leading Donors and Emerging Donors

For the comparison analysis of evaluations of assistance from emerging donors and leading donors, the development policy of Ethiopia as basis of assistance policy and the leading donors assistance policies to Ethiopia are reviewed. In addition, the policies of south-south cooperation and triangular cooperation of the leading donors and emerging donors were also reviewed, and the basic information summarized for subsequent analysis. The aid policies of emerging donors who are providing a certain amount of aid to Ethiopia, namely China, India, Turkey, Indonesia, Thailand, and Malaysia, are as follows.

(1) China

The basic stance of the Chinese government on south-south cooperation is outlined in “China's Stand on South-South Cooperation” (2003), etc., which indicates a positive attitude towards south-south cooperation. China has held their “Forum on China-Africa Cooperation” (FOCAC) five times since 2000, and in addition to aid, they have been strengthening their relationships with Africa.

(2) India

The Indian government agreed to an “Africa-India Framework of Cooperation” in 2008 with several African countries, the African Union, and regional economic communities, and is implementing aid in accordance with this agreement. In the framework, specific fields of cooperation are defined, and cooperation in a wide range of fields, ranging from economic cooperation to the tourism industry, etc., was agreed upon.

(3) Turkey

The aid agency of the Turkish government, The Turkish Cooperation and Development Agency (TIKA), will establish a development strategy in accordance with international development cooperation endeavors such as the Paris Declaration, etc., as a matter of priority. Since 2006 TIKA has taken the initiative in carrying out policy dialog with DAC member countries and non-member countries. Also, TIKA recognizes the main flow of international development cooperation is north-south aid, and TIKA implements aid with the objective that as a semi-developed country Turkey will be responsible for their share of aid.

(4) Indonesia

The Indonesian government has prepared the “JAKARTA COMMITMENT: Aid for Development Effectiveness Indonesia’s Road Map to 2014,” which was formulated by Badan Perencanaan Pembangunan Nasional (BAPPENAS), the National Development Planning Board. Within this roadmap the Indonesian development aid policy is stated as: (1) Strengthening country ownership over development, (2) Creating more effective and comprehensive partnerships for development, and (3) Taking responsibility for achieving development results.

(5) Thailand

In 2004 the Thailand International Development Cooperation Agency (TICA) was established within the Thailand Ministry of Foreign Affairs to implement international cooperation. Aware that the role of Thailand has changed from that of an aid recipient country to that of a new donor, TICA recognizes the necessity of promoting south-south cooperation in order to effectively implement its development program within the framework known as the “Thai International Cooperation Programme” (TICP).

(6) Malaysia

Since 1980 Malaysia has implemented the “Malaysian Technical Cooperation Programme” (MTCP), to share development experience and knowledge with developing countries in the spirit of south-south cooperation. Since MTCP is based on the belief that national development depends on the quality of human resources, training is provided in various fields such as public administration, good governance, health services, education, sustainable development, agriculture, poverty eradication, investment promotion, ICT, and banking.

2. Evaluation of Aid to Ethiopia by Emerging Donors and Japan (Including Triangular Cooperation)

The features of the emerging donors’ aid to Ethiopia have been summarized to obtain an overview of the actual situation as well as to establish (1) the objectives of the aid to Ethiopia, (2) the main fields of the aid to Ethiopia, (3) the status of cooperation with other donors, (4) aid implementation schemes, (5) consistency with the development needs of the Ethiopian government, and (6) the evaluation by the Ethiopian government. In particular, it was found that China and India have a strong presence due to their aid to Ethiopia, that Turkey is expanding their aid to Ethiopia based on technical assistance, and that Indonesia is providing training programs to Ethiopia, etc.

In addition, the strengths and weaknesses of Japanese aid mainly from the aspect of the Ethiopian government organizations were analyzed by comparing with the new donor’s aid to Ethiopia, based on evaluation by the Ethiopian side of triangular training carried out in Ethiopia by Japan in cooperation with Malaysia. The results indicated that the main strengths of Japanese aid were: 1) comprehensive aid system, 2) expectations of the Ethiopian government, and 3) quality of the projects. On the other hand, the weaknesses of Japanese aid were: 1) high cost, 2) insufficient personnel resources, 3) restrictions of OECD-DAC rules, and 4) difference in development level.

3. Comparison of Cooperation by Emerging Donors in Ethiopia

The points in common and the points of difference of the emerging donors implementing aid to Ethiopia were analyzed from several viewpoints, such as fields of aid, aid schemes, magnitude of the aid, etc. The analysis was carried out for the countries as above, namely, China, India, Turkey, Indonesia, Thailand, and Malaysia, who are considered to be carrying out aid in Ethiopia. Tables 1 through 5 show the comparison results for the fields of the aid to Ethiopia of each of the emerging donors,

the aid schemes, bases for the aid, the magnitude of the aid, and the views of the Ethiopian side.

Table 1 Comparison of emerging donors' fields of aid

	China	India	Turkey	Indonesia	Thailand	Malaysia
Traffic infrastructure	⊙	—	—	—	—	—
Electrical power	○	○	—	—	—	—
Industrial development	○	○	—	—	—	○
Agriculture	○	○	○	○	—	—
Water	○	○	○	—	—	—
Health	○	—	○	—	—	—
Education	○	○	○	△ (triangular cooperation with Japan)	—	—

Notes: ⊙ = positively implemented, ○ = confirmed to be implemented, △ = not confirmed to be implemented as bilateral cooperation, — = not confirmed

Source: Prepared by MRI from various documents

Table 2 Comparison of aid schemes of emerging donors

	China	India	Turkey	Indonesia	Thailand	Malaysia
Favorable financing	○	○	—	—	—	—
Grant aid program	○	○	○	—	—	—
Training, technical assistance	○	○	○	○	○	△

Notes: ○ = confirmed to be implemented, △ = considered to be implemented based on information from meetings, etc. — = not confirmed

Source: Prepared by MRI from various documents

Table 3 Comparison of bases for aid among emerging donors

	Bases for aid to Ethiopia
China	•Embassy (official responsible has been appointed)
India	•Embassy
Thailand	•Not clear (they have neither embassy nor aid organization base in Ethiopia)
Malaysia	•Not clear (they have neither embassy nor aid organization base in Ethiopia)
Indonesia	•Embassy
Turkey	•Local office of the aid organization TIKA

Source: Prepared by MRI from various documents

Table 4 Comparison of the scale of aid by emerging donors

	Scale of aid to Ethiopia (representative examples, as known)
China	<ul style="list-style-type: none"> <li>Grant aid cooperation: US\$24 million (1995-2009)</li> <li>Loans (favorable financing): US\$82 million (1995-2009)</li> </ul>
India	<ul style="list-style-type: none"> <li>Loans (favorable financing): US\$640 million (construction of sugar factory), etc.</li> </ul>
Turkey	<ul style="list-style-type: none"> <li>Technical assistance: US\$1.5 million (medical support to cataract patients)</li> </ul>
Indonesia	<ul style="list-style-type: none"> <li>Technical Cooperation program: Training 28 persons</li> </ul>
Thailand	<ul style="list-style-type: none"> <li>Triangular program: Training 7 persons</li> </ul>
Malaysia	<ul style="list-style-type: none"> <li>Not clear</li> </ul>

Source: Prepared by MRI from various documents

Table 5 Views on the aid from the emerging donors

	Evaluation and impressions of the aid from the Ethiopian side (in outline)
China	<ul style="list-style-type: none"> <li>Evaluated extremely highly, local presence is remarkable.</li> </ul>
India	<ul style="list-style-type: none"> <li>Aid is evaluated highly.</li> </ul>
Turkey	<ul style="list-style-type: none"> <li>Although it is known that aid is being provided, details of the aid are not as widely known as that of China and India.</li> </ul>
Indonesia	<ul style="list-style-type: none"> <li>Aid is being provided, but it is not as widely known as that of China, India, and Turkey.</li> </ul>
Thailand	<ul style="list-style-type: none"> <li>Aid is being provided, but it is not as widely known as that of China, India, and Turkey.</li> </ul>
Malaysia	<ul style="list-style-type: none"> <li>Aid is being provided, but it is not as widely known as that of China, India, and Turkey.</li> </ul>

Source: Prepared by MRI from various documents

#### 4. Implementation of Aid in Africa Jointly with Emerging Donors

In conclusion, based on the above information and analysis, the issues regarding south-south cooperation and triangular cooperation were discussed from the viewpoint of how Japan should work with the emerging donors in the future when implementing aid in Africa, and suggestions regarding Japan's aid were given based on these issues.

Specifically, it is possible to identify the issues regarding south-south cooperation as strengthening the policies towards aid of the emerging donors, strengthening organizational aspects of the aid of the emerging donors, and raising the presence of the aid of the emerging donors. Also, issues regarding triangular cooperation include raising awareness of triangular cooperation as a scheme itself, considerations for the aid-recipient country for implementing triangular cooperation, and implementation of aid based on the aid capacity of the resource country (new donor).

Based on these issues, it is considered important that Japan search for new aid schemes to improve the effectiveness of the aid, while using the triangular cooperation scheme through appropriate links with new donor countries. Also, it is considered important that

Japan should show a positive attitude towards south-south cooperation and triangular cooperation at international arenas such as TICAD, etc