The 50th Anniversary of Japan's International Cooperation Symposium: The View on the Japanese ODA in the Recipient Countries

Minutes of Symposium

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<u>Ms. Makiko Shimizu, Presenter</u>: Ladies and gentlemen, thank you very much for waiting. We are very happy to be having this Symposium to celebrate the 50th anniversary of Japanese Official Development Assistance (ODA), subtitled "The View on the Japanese ODA in the Recipient Countries." We will now begin the Symposium.

Before we start the Symposium, however, there are some requests we would like to make of you. The first has to do with cellular phones. Those of you who have cellular phones, please turn off the alarm on cellular phones. Towards the end of the whole session, we will have a question and answer session. When you want to ask a question, please use the microphone. There is a microphone for every three persons. If you push the green button, the light will be on and as soon as you finish your intervention, would you please turn off the green switch; in other words, to turn off the microphone?

Ladies and gentlemen, we would now like to begin the Symposium. I am a free announcer called Ms. Makiko Shimizu. I shall have the privilege of serving as the Master of Ceremonies (MC) for today's session. Thank you.

Ladies and gentlemen, we are celebrating the 50th anniversary since Japan began ODA. This is a landmark in that sense, so we would like to look back upon half a century of Japanese international cooperation. We have been having various events and functions across Japan to commemorate this. This Symposium today is one of the main events of all these various functions we have been holding to commemorate the 50th anniversary. We would now like to begin, first of all, by having an opening address by Mr. Kazuo Kodama, Deputy Director-General of the Economic Cooperation Bureau of the Ministry of Foreign Affairs. He will also talk to us about the aims of having this Symposium. So sir, please.

Mr. Kazuo Kodama, Deputy Director-General, Economic Cooperation Bureau, Ministry of Foreign Affairs: Thank you very much for the introduction. My name is Mr. Kodama, Deputy Director-General of the Economic Cooperation Bureau. As we start the International Cooperation Symposium, it is my pleasure to say a few words on behalf of the Foreign Ministry. Today, first of all, I would like to thank the co-organizers of this Symposium; in other words, the United Nations University (UNU) and the Japan International Cooperation Agency (JICA). We would like to really express our heartfelt gratitude, and also to *Nihon Keizai Shimbun* and *Asahi Shimbun* for supporting to Symposium. As it has been pointed out, on 6 October 1954, when we were still quite poor after World War II, Japan decided to join the Colombo Plan and thus we began the Official Development Assistance to developing countries. This day has been designated as the Day of International Cooperation, and we have been calling for understanding and participation on the part of the Japanese people. So we are celebrating the 50th anniversary since the start of ODA. These past three months and the three months around 6 October has been designated as the months of Japanese ODA to commemorate the 50th anniversary. Now, using this occasion, we would like to see the view on the Japanese ODA in the recipient countries mainly.

Fifty years ago, I said that Japan was still a poor country. However, at that time, we were already having a discussion of this kind in the Japanese Diet. This was 18 May 1958, and this was a question posed to the Foreign Ministry. In response to this question, Mr. Matsumoto from the Foreign Ministry answered this way. The question had to do with why Japan gives ODA to India. His answer was this: Japan is not economically or fiscally rich country, but they need funds in developing countries. We are not really a rich country, so it is not necessary for us to give any funds or ODA to other countries. But we are not in a position to be able to deny this ODA from the perspective of promoting economic diplomacy. Now, people often say that for India, it is much more meaningful to borrow US\$50 million from Japan than US\$150 million from a poor country is much more effective than contribution from a very rich country. Ever since the beginning of ODA, you can see that ODA has been one of the major pillars of Japanese diplomacy.

Now that we look back upon the past 50 years, we must keep in mind that this is how we started with ODA. That was one of the main purposes of starting ODA here in Japan. Now in the last 50 years, Japan has done a lot. For example, since the last 50 years, we have sent 70,000 experts and 25,000 Japan Overseas Cooperation Volunteers (JOCV) to 166 countries in the world. Also, we have received 275,000 trainees from 176 countries around the world. This was really part of the contribution to human resource development in the recipient countries. In the last 50 years, we have given US\$221 billion of ODA to 158 countries. In other words, this translates to 3,700 yen per person each year, so we are proud of Japanese ODA and that this is also highly appreciated by the international community. But we all know that we are really in a very tight fiscal

condition and really have to keep on reducing ODA. In the last seven years, we have had to cut it by 30% and the Japanese people—as taxpayers—are now demanding that ODA have more transparency, mobility and efficiency. These are some of the demands that have been placed on us by the Japanese people.

That being the case, today at this Symposium we hope that we can get some very candid views on Japanese ODA—its transparency, effectiveness and efficiency. Based on this discussion, maybe we can give some input to Japanese ODA in the next 50 years. What are some of the strengths and weaknesses of Japanese ODA? What are some of the Japanese aspects to ODA that must be maintained? What are the aspects that will have to be changed or reformed? If we can get some clues to these questions, I think we would be most happy and that will really satisfy our intention of having this Symposium. We are very honored to have ambassadors from four countries today: Brazil, the Philippines, Sri Lanka and Tanzania. We thank them for coming here. We would also like to thank Mr. Suganami from the Association of Medical Doctors of Asia (AMDA), Mr. Harada from *Nihon Keizai Shimbun* and Mr. Kanda from JICA. Thank you very much.

<u>Ms. Shimizu</u>: Thank you very much. We would like to hear from Professor Yozo Yokota, who will be the moderator later. He will give us his opening remarks.

<u>Mr. Yozo Yokota, Ph.D., Special Advisor to the Rector, United Nations University</u>: Mr. Kazuo Kodama, Deputy Director-General of the Economic Cooperation Bureau of the Ministry of Foreign Affairs and Ms. Misako Konno, United Nations Development Programme (UNDP) Goodwill Ambassador, panelists, commentators and Your Excellencies Ambassadors from different countries, ladies and gentlemen. Thank you very much for your kind participation in the 50th anniversary of Japan's International Cooperation Symposium. Representing the UNU, which has offered this venue and on behalf of Rector Hans van Ginkel, who is on his business trip, I would like to say a few words of greeting to you.

Japanese official development aid started 50 years ago in 1954 by joining the Colombo Plan after World War II. We have continued ODA since then. Japan became prosperous economically and Japanese ODA expanded in quantity and quality every year. In the 1990s, its amount reached number one in the world in terms of volume. During the past years, due to economic recession and a tight fiscal situation, Japan has yielded its number one position to the United States. However, we are still offering ODA—more than 90 million yen per year.

Japanese ODA comes in different forms. For example, grant aid through the Ministry of Foreign Affairs, technical cooperation through JICA or loans through the Japan Bank for International Cooperation (JBIC). Japanese ODA is provided in different forms through different channels. In addition, Japanese ODA is provided through UN organizations including UNU, UNDP, United Nations Children's Fund (UNICEF), United Nations High Commissioner for Refugees (UNHCR) and the World Bank. The purpose of economic cooperation is to help the two-thirds of the world population in developing countries by the advanced countries joining hands together so that the people in developing countries can enjoy a better and stable life. Therefore, it is very important that economic cooperation should be promoted under the initiatives of developing countries and people in developing countries. Japan, UNDP and other countries and organizations should help the efforts by recipient countries. Evaluation of Japanese ODA highly depends on the people's view, or how the people in developing countries see Japanese ODA.

Today's theme is the view on the Japanese ODA in recipient countries and this has special implications. It is quite significant also that we have with us today Ambassadors from different regions of the world. I am very happy that we can have very fruitful discussions on ODA from the perspectives of developing countries. I really hope that through today's Symposium, Japanese ODA will be all the more useful and helpful for developing countries so that they can lead better and stable lives. Thank you very much.

<u>Ms. Shimizu</u>: Thank you very much. That was the opening address by Professor Yokota of UNU. Next, I would like to ask Ms. Misako Konno, the UNDP Goodwill Ambassador for a keynote speech. She is an actress. She is very well known in films, TV as well as on stage. She is also a prominent writer of essays. Also, she became the UNDP Goodwill Ambassador in 1998 and she has visited many project places. In 1999, she went to Cambodia and Palestine in 2000. She has also visited Ghana and other places. In July this year, she visited East Timor and there, again, she observed the projects undertaken by UNDP. She also had a meeting with President Xanana Gusmao. Together with the ODA monitor, she jointly took a survey of the projects undertaken by the Japanese government. She has many experiences of this kind and she is going to talk to us today starting with a videotape recording (VTR) when she visited East Timor. She

will then follow with a presentation. She also visited Bhutan in 2001.

<u>Video Presentation, Ms. Misako Konno, UNDP Goodwill Ambassador</u>: In July 2004, I visited Timor-Leste, the first nation which achieved independence in the 21st century. This small country, surrounded by rich nature, has gone through several conflicts for a long period and finally achieved peace. Like a little child who began to toddle, Timor-Leste has just started to make its first step forward. In the capital city Dili, I observed great, massive destruction everywhere. After the direct presidential election in 1999, there was a big conflict and most of the public infrastructure was destroyed. The long history of conflict finally came to an end and a nation was born. However, reconstruction needed to be done from the very beginning.

Education is a key element for national development. However, school buildings of the National University were attacked during the conflict. New equipment is being installed and the studying environment is gradually getting better. Many students told me that they are eager to do anything to contribute to their nation. In order to support women who lost their husbands during the conflict, a training center was set up to teach them how to make traditional textile fabric called *tais*. This lady told me that she is very happy because she can now send her children to school by selling *tais*. She showed me a beautiful *tais* which she made.

Japan is providing ODA in the field of agriculture as well, so people can gain their food by themselves. Timor-Leste used to be an agricultural country, but due to the long conflict the land had been devastated. A man who used to be a soldier no longer holds a gun but holds a hoe instead and learns how to grow crops, hoping that this will help enrich the country in the future. In spite of sharing the same cultural background, the struggle for independence divided people in this country. Many lives were lost and conflict produced deep hatred among people. Such hatred must be removed in order to achieve everlasting peace. The Commission for Reception, Truth and Reconciliation has listened to the voices of each individual face-to-face. It is helping to relieve the hatred.

I thought that development aid is similar to raising children. Until a child can stand on his or her own feet, you need to spend enormous time and energy and wait patiently to see his or her growth. Most importantly, there needs to be peace. Nothing can be done without peace. <u>Ms. Shimizu</u>: So this was the VTR when Ms. Konno visited East Timor. Now let us welcome UNDP Goodwill Ambassador Ms. Misako Konno.

<u>Ms. Misako Konno, UNDP Goodwill Ambassador</u>: Good afternoon, everyone. My name is Misako Konno, UNDP Goodwill Ambassador. My real job is being an actress, but it has already been six years since I became UNDP's Goodwill Ambassador. I am not very used to this kind of very official occasion. I am a bit nervous, therefore, but I will try to do my best.

Up until I became the UN Goodwill Ambassador, I had nothing to do really with the actual field of international cooperation, ODA and so forth. My own impression of ODA before I became a goodwill ambassador was from mostly television, newspapers, or the media in other words. When you look at the media, you see ODA being taken up very frequently in a negative light when there are failures. I am sure there are many successful cases, but the media tends to take up the failed cases. At least I used to think how well the Japanese ODA is actually implemented. People often criticize Japanese ODA as focusing attention only on infrastructure only, the so-called "white goods" such as buildings, or hardware, and not very much on software.

I went to Cambodia after becoming the UNDP's Goodwill Ambassador and there I met with Japanese volunteers, experts from JOCV, and some people were working in places where there was no electricity or running water. These people, the nurses for example, are doing their best in order to assist people who are in hardship from illnesses. And then there were teachers who were trying to teach the children, even though there were no really good school buildings. There were also those involved in road building or construction work. I felt very strongly at that time that ODA—which is a very important form of international cooperation—invites so many hardworking, goodwilled people, but their work is not very often carried in the media. The media tend to carry the bad news or the failures of ODA. But I was stunned to see that there are many successful ODA projects with hardworking people. I felt so keenly at that time, therefore, that people should know more about those success stories rather than the failures.

I had similar feelings in East Timor. East Timor in 1999 had the national referendum to question the people whether the country should be independent or not. After the election, there was a big riot, almost a civil war. Dili, the capital city, and so many places were practically destroyed. In May 2002, it got independence, but the attention of the

international community, including Japan, shifted to Iraq, and East Timor became forgotten once again. I think this kind of forgetfulness is part of the problem.

This time, I worked with ODA monitors. These are general citizens, the public at large, who have agreed to serve as monitors. They were the ones who went to the actual ODA project area and would tell the people what they felt about the ODA project upon coming back to Japan. I think this kind of ODA monitor program is a very important program. I think, including myself, what is important is to be interested in what is happening in the way of ODA. We need to gain more ODA supporters. To become ODA supporters, you will have to be interested in ODA and to have a good understanding of ODA. In East Timor, there are many significant, meaningful ODA projects. Japan is very good at technical assistance and in the human resource development area. These two aspects impress me very much. The VTR had a part of it.

The work of the Commission for Reception, Truth and Reconciliation, which we saw, was quite commendable because there was this fierce battle between those who supported independence and those who were against independence. But now that the new country was born, people agreed that they would have to direct their whole energy into nation building. To do that, you will have to start with reconciliation of the people who had been fighting against each other over the independence issue. So this particular commission, the Commission for Reception, Truth and Reconciliation, mediated between and amongst the people and listened to their voices to lead them in the direction of reconciliation. Now, this commission was run on the money they received from Japanese assistance.

There are also the former combatants and soldiers issue. The former soldiers have to find new employment or more peaceful employment, for example, agricultural employment. You have to give them training again to have them carry the hoe instead of the weapons and to engage in agriculture. Also, there was work on reconstructing the National University of East Timor and to bring the equipment from Japan so that they can start using computers. This was the Institute of Technology there in East Timor. We need not only equipment but also people. They saw mainly the JICA people who had come to East Timor to give the necessary instruction or guidance for using this equipment.

One of the major potential export items in East Timor is coffee. This is going to be a

very useful way of getting hard currency, but they need special training and to be able to grow and package coffee in a way that can be sold on the international market. There, again, the Japanese experts will come to train them in that direction. So I see that Japanese ODA is being used for human resources building, which is an essential part of nation building, and I would like as many people as possible to know that these things are happening in East Timor.

Also, in East Timor, just until very recently, there were peacekeeping operations by the Japanese Self-Defense Forces (SDF) and the people there are so appreciative of what the SDF have done. For example, there would be a major landslide and SDF personnel would come to mend the road. So you see this road running all the way through the country, and we hope that many people in Japan would know about these kinds of success cases of Japanese ODA programs. Even though my ability is limited, I hope to continue to do my best in my capacity as UNDP Goodwill Ambassador to tell the people about what I have seen.

Since my time is almost up, let me just conclude by saying that there are two things that I felt very strongly when I was in East Timor this time. One has to do with the fact that since my visit there was towards the end of July this year, this was the time when Japan was going through an extremely hot summer and I came to East Timor from that heat island of Japan, and East Timor is a country that will have to start everything from scratch. They have to establish their own infrastructure. They must establish their legal system. Japan has everything; East Timor has practically nothing. In terms of the energy supply that we can avail ourselves of, there is such a big gap. Japan, under extreme heat, was using electricity so much for air conditioning. No matter where you went in Japan, air conditioners were working 24 hours a day. Everyone was using it. But in East Timor, a very, very poor countr-the poorest country in Asia-they cannot use their electricity. They do not have the electricity to use for these kinds of purposes. Unless we can bridge and narrow the gap between the conditions in the two-very rich and poor-countries, we will not be able attain peace. I felt this so strongly. Of course, it is difficult for us Japanese people to go back to the time immediately after the war when we had nothing. But I think we have to learn to be much more humble in Japan and to have a more frugal life. All of us must put our strength together to try to hammer out what sort of ODA is most needed.

Another thing I felt very strongly was that when I visited East Timor, I realized—as I

said on the VTR—that development assistance is very much like raising children. What this means is that until the child grows up, you need to put in or invest a lot of time, work and money. So it takes a long time before you see the results of all the efforts. The parents who have spent so much money and time in their children expect the children to show results. Some parents become frustrated when their children are not doing nearly as well and the parents will get angry saying, "I have invested so much money and time in you and why are you not performing well?" Yes, at times we have the same experiences. Sometimes we become fretful that progress is not making as much headway as expected. But each child has his or her own individuality, so each country has its own individuality, its own style of development and requires its own unique ODA as well. I hope that Japanese ODA, together with non-governmental organizations (NGOs), the Japanese people, the Japanese government and the international community, they will all form partnerships to try to find out what kind of programs would be most effective in that particular locality. I hope that we can continue to do so. Thank you very much.

<u>Ms. Shimizu</u>: Thank you very much. Let us give another round of big applause to Ms. Misako Konno. We have heard from UNDP Goodwill Ambassador, Ms. Misako Konno. She has talked about the people who are active in the forefront of ODA programs. I was very, very interested in her talk. Now I would like to hear from the ambassadors in Japan, who will give us their presentations about Japanese ODA. I would like to invite Their Excellencies the ambassadors from four countries and I would like to ask Professor Yokota to play the role of moderator. Professor Yokota, please.

<u>Mr. Yokota</u>: Now we would like to start the Symposium. I am Yozo Yokota. I am the special adviser to the Rector of the United Nations University. Today I am going to play the role of moderator. First of all, I would like to hear the presentations by the four ambassadors representing different regions of the world. The time is limited, so I would like to ask them to finish their presentations within 15 minutes.

From this side, we have the Ambassadors with us in alphabetical order. But I heard that the Ambassador to the Democratic Socialist Republic of Sri Lanka has to leave a little bit earlier due to his business schedule. Therefore, I would like to change the order from alphabetical order. First, I would like to hear from His Excellency Amunugama. After the four Ambassadors have finished their presentations, I would like to take a brief break and then I would like to come back and continue our general discussion. At that time, I would like to have very active interventions by the audience.

First, I would like to call on His Excellency Mr. Karunatilaka Amunugama, the Ambassador, to make a 15-minute presentation. Ambassador, please.

<u>His Excellency Mr. Karunatilaka Amunugama, Ambassador of the Democratic Socialist</u> <u>Republic of Sri Lanka</u>: Thank you very much, Professor Yokota. Your Excellencies, ladies and gentlemen. First I would like to express my gratitude to the organizers of this Symposium, including the Ministry of Foreign Affairs, for giving me an opportunity to speak about the issues and expectations surrounding Japanese ODA from the recipients' point of view. We are all gathered here today, most of us, as recipient countries because we have benefited over the years from Japanese ODA and because we are interested in building an appropriate model of ODA that would suit our requirements in a changing world.

I believe that it is fitting for Sri Lanka to have been given this opportunity to speak on this occasion for two reasons. The first reason is that, in a sense, it all began in Colombo. It is well known that Japan's Official Development Assistance, or ODA, began in 1954 when Japan joined the Colombo Plan and commenced provision of technical assistance. It is also well known that the Colombo Plan was established in 1950 after a meeting of the Commonwealth Foreign Ministers in Colombo and came into operation in 1951; the objective being to provide economic aid to the region, then denoted as "South and Southeast Asia." It is, however, not so well known that the idea of the necessity of developing a mechanism to ensure economic development of a larger part of Asia first emerged with the Colombo Plan. This is why I say Japan's ODA has an intimate link with Sri Lanka.

A distinguished Sri Lankan statesman, J.R. Jayawardena, had the following to say about the Colombo Plan during his famous speech at the San Francisco Peace Conference in 1951: "The Colombo Conference considered Japan not as an isolated case, but as part of the region known as South and Southeast Asia, containing a large portion of the world's wealth and population, and consisting of countries which have only recently regained their freedom. Two ideas emerged at this conference. One, that of an independent Japan, and the other, the necessity for the economic and social development of the peoples of South and Southeast Asia to ensure which, what is now known as the Colombo Plan was launched." The second reason as to why Sri Lanka may be an appropriate selection is because my country today can be seen as a good case study that exemplifies the shift in Japanese ODA policy in the new century and the role it wishes to play. I am talking about Japan's ongoing contribution to the peace process in Sri Lanka. I will speak about this later in more detail.

First, I want to concentrate on the structure of my presentation, which I have divided into three main parts. In the first part, I discuss Japan's ODA in the Asian context with special focus on Southwest Asia and talk about the changing role of Japan's ODA today. In the second part, I examine the special implications of Japanese ODA on small developing countries like Sri Lanka and the dynamics of the donor-recipient relationship. In the third part, I talk about the challenges facing the future of Japanese ODA and developing a future ODA model.

In keeping with the original objective of the Colombo Plan, Japan has allocated a major portion of its bilateral ODA—50-60%—over the years to countries in Asia. As you are aware, it was due to strategic geopolitical reasons that the main focus of Japanese foreign policy in the 1950s happened to be East and Southeast Asia. This emphasis on Asia as being a basic and consistent policy of Japan's ODA was explicitly stated in the ODA Charter in the medium-term policy. Although Japan's initial political engagement with Southwest Asia was minimal, starting from the 1960s until the 1980s, the economic involvement in Japan with countries in South Asia expanded rapidly, so much so that by the end of the Cold War, Japan had become the top bilateral donor to countries in South Asia and it accounted for 1/4th of total Japanese ODA.

What I wish to focus on today is the increasingly important role that Japan came to play in Southwest Asia after 1990. It was as if Japan had rediscovered Southwest Asia after 1990. This can be seen as a reflection of Japan's re-adjustment of its foreign policy to a changing world order in the 1990s. To quote Prime Minister Koizumi's own words from a speech delivered in 2004, he observed, "Recently, I, myself, have become keenly aware of the increased sense of unity of the entire Asian region." From this point onward, Japan's interactions and linkages with Southwest Asian and Southeast Asian sub-systems increased rapidly.

The new and qualitatively different phase in Japan-Sri Lanka relations, which evolved

after 2000, when Japan began to play an important political role in Sri Lanka's peace process, has to be viewed in this context. I have already said that Japan's foreign policy underwent a process of review and a qualitative change in the 1990s. As discussed earlier, the changing international order and the emergence of new threats to global security compelled Japan to rechart its role in the world. From this point onward, Japan came to play a visible role as conflict manager and peace builder in a number of internal conflict situations in Asia. Promotion of human rights and democracy, peace building and conflict management through its ODA program became new priority areas for Japan. Japan's proactive approach to the peace process in Sri Lanka has, for example, contributed positively toward seeking a lasting solution to the conflict. Japanese NGOs too have entered the sphere of peace and reconstruction activities in these countries. Through Japan's peace building role, it is projecting a new image of itself to the world as a promoter of regional and global peace and security.

In this changing scenario, South Asia has come to acquire new importance. The rapid economic development in India and technological advancement in the subcontinent as a whole has no doubt spurred on this rejuvenated interest in the region. A study of Japan's allocation of ODA to South Asian countries in the 1990s also shows the increased emphasis it has placed on positively engaging this reason. This new role played by Japan should have a decisive impact on political and social development in the region.

Moving on to the second part of my presentation, if someone were to remark that the most important foreign policy factor which has guided Japan-Sri Lanka relations in the post-war period has been Japan's ODA to our country, I would have to agree. After 1977, the flow of ODA from Japan to Sri Lanka surpassed the flow from other conventional donors from the West, and Japan thus became the largest single donor to our country. It is known that Japan's ODA has led to economic growth and prosperity among many developing countries. However, we also know that aid is only one factor of economic development. It is by no means the only factor. In addition to aid, trade and investment play a key role in economic development. In the case of Sri Lanka too, following the liberalization of the economy in 1977, trade between Japan and Sri Lanka witnessed rapid growth, with Japan becoming Sri Lanka's second largest trading partner.

The pattern of trade relations between our two countries, however, has not changed much from 1977 to date. While Japan is our largest trading partner, the trade balance continues to remain heavily in favor of Japan, with the trade gap increasing over the

years in Japan's favor. The case with regard to Japanese foreign direct investment (FDI) flows into Sri Lanka is somewhat similar. While there has been a sharp increase in Japanese FDI outflows to certain other regions—for example, North America, Europe, South and Southeast Asian economies over the last several decades—Sri Lanka has been able to attract only a relatively small portion of FDI flows from Japan in terms of both numbers and total value. This is in spite of various economic policy reforms undertaken by successive governments with offers of incentives to attract FDI.

My point in discussing the above scenarios is to show Japan's role in helping Sri Lanka achieve economic development over the years can be seen more as one of providing financial and other resources through concessionary loans than one of providing markets for its products or FDI for investment. One might argue that we need the latter more than ever today for economic development. While it is true that the construction of infrastructure with Japanese loan aid has led to promotion of investment, trade and growth in production in many developing countries, there are many aid recipient countries whose foreign investment has not increased significantly over the years. While these massive flows of ODA have strengthened people-to-people contact and bilateral relations between the recipient countries and Japan, the unequal donor-recipient relationship has acquired clear dominance over cultural and other links. This has certainly been the case in Sri Lanka. I would like to emphasize that confining our bilateral relations to a narrow donor-recipient track will only have negative implications for both parties. If we were to seek a truly enriching experience, we need to move beyond these confining donor-recipient parameters.

Now I come to the third and final part of my presentation, which talks about future challenges. One of the major challenges faced by Japan today is its decreasing ODA budget, which is under extreme pressure today due to the increasing restrictions placed on it. As you are aware, one of the reasons for holding this Symposium today is to think of ways and means of how to regain and restore ODA's strategic importance in Japanese diplomacy. It is indeed unfortunate that in the face of a prolonged economic slump, severe fiscal constraints and increasing critical public opinion, Japan's ODA budget had to suffer successive cuts since 1998. This is a trend in sharp contrast to other Group of Seven (G7) countries, which since 2000 have been gradually increasing their ODA budget to meet the new threats posed after 9/11. In 2003, Japan's actual ODA spending posted its fourth year-on-year decline. In 2001, Japan was replaced by the United States as the top ODA provider in the world. This is a major challenge faced today by Japan as

a donor, especially amidst global efforts made to revive each nation's progress towards achieving the Millennium Development Goals in 2005.

The ODA cuts at one level reflect Japan's huge budget deficit, one of the largest among industrial nations. However, one major reason cited for the budget cut is diminishing public support for the allocation of ODA. The various ODA symposia organized in the month of October addressed the question of how to win support among the Japanese public for Japan's future ODA programs. I am not sure as to whether any of them were able to come up with any concrete solutions. ODA is financed by taxes paid by the public, so gaining popular support for and understanding of ODA among the general public is an essential prerequisite to its implementation. Hence raising public awareness of the benefits of ODA to both donors as well as recipients is essential at this point. For example, the public should be made to understand that Japan's national interest is intrinsically tied to its ODA policy.

A common criticism leveled against ODA in Japan is its lack of transparency. Increased transparency in ODA disbursement is an important ODA reform that needs to be undertaken by the Ministry of Foreign Affairs. It might help in winning public support for ODA. Promoting public participation in ODA through NGOs and other networks might be another way of overcoming this hurdle.

Japan today is well poised to play a key role in the world, fast moving toward multi-polarity. The country's increasing engagement with the UN and its campaign for a permanent seat in the Security Council is part and parcel of its neodiplomacy. If Japan's foreign policy is to create a stable international environment through ODA-based diplomatic strategies, it is now time for Japan to reverse the downward trend in its ODA budget with the support of its people and the international community. This is especially so when one considers that the major task of Japanese ODA in the 21st century will be to promote world peace. Thank you.

<u>Mr. Yokota:</u> Thank you very much, Ambassador, for a very strong message and also very constructive and useful proposal to the future of the Japanese ODA policy. As I said, unfortunately Ambassador Amnugama has to leave due to prior important engagement after his presentation, but he told me before we came here that he welcomes any questions or clarifications of his presentation from the audience in written form, so that later he would be able to respond to those questions and comments.

And I thank once again Ambassador Amnugama for your very useful speech.

Next speaker is his Excellency, Mr. Ivan Oliveda Cannabrava, the Ambassador of the Federative Republic of Brazil. He has had a long and brilliant diplomatic career and prior to his Ambassadorship in Tokyo, he was Ambassador to Angola, as well as to Israel. He also spent five years in Tokyo in his earlier diplomatic career as Minister in the Brazilian Embassy in Tokyo. We are very much looking forward to listening to what Ambassador Cannabrava has to say. Ambassador, please.

<u>His Excellency Mr. Ivan Cannabrava, Ambassador of the Federative Republic of Brazil:</u> Thank you. Ladies and gentlemen, it is a great honor and privilege to address this commemorative Symposium on the 50th anniversary of Japanese ODA, together with my colleagues from the Philippines, Sri Lanka and Tanzania. The moment for this debate could not be more appropriate as next year important deliberations will take place regarding the reform of the UN, including the possible expansion of the permanent members of the Security Council and the review and appraisal of the Millennium Development Goals (MDGs). Both processes have Brazil and Japan as key players in mobilizing the initiatives and support of the international community in the effort to strengthen the institutional framework for security and development.

In his address to the 11th session of The United Nations Conference on Trade and Development (UNCTAD) held last June in Sao Paulo, Ambassador Yamazaki, Chief Delegate of Japan, emphasized that development is one of the biggest issues confronting the international society today. He added that the self-help efforts by developing countries and the support of the international community are essential to attaining the MDGs. Ambassador Yamazaki reassured the world community that Japan has been making use of all its policy tools—including ODA, private funds, and trade—to address the development issue. My government views this commitment as one of the most praised and admired features of the Japanese public persona. We believe it represents a motif of pride for the Japanese people.

In Brazil, we share the same view that it is essential to strengthen the political consensus and to increase the amount of technical and financial resources available for ODA activities for the international community to meet the MDGs. But on the other hand, Brazil has also reaffirmed its steadfast commitment to achieving the MDGs through internal efforts that are nationally controlled both by the Brazilian Government

and the Brazilian civil society.

At the initiative of President Luiz Inácio Lula da Silva, Brazil, France, Chile, and Spain have joined efforts to mobilize support for an international initiative against hunger and poverty that result in the Declaration of the World Leaders' Meeting for the Action against Hunger and Poverty adopted in New York in 2004. It is a concise political text aimed at adding momentum to discussions on the financing for development and the fight against hunger and poverty. It recalls the problems faced worldwide and internationally agreed commitments.

Inflows of ODA play a valuable role in providing countries with the immediate resources needed to unleash economic growth and social development. Foreign aid can be a decisive factor in improving economic infrastructure, as well as education and health indicators. Since the Monterrey Conference on financing for development in Mexico, the international community took a step forward and agreed not to leave the implementation of the MDGs to chance. Some donor countries have indeed reached ODA goal of 0.7% of their GDP. Others have set time frames to raise ODA levels. However promising these signs may be, much more needs to be done not to fall short of the additional \$50 billion required at least to make good our promise of fulfilling the MDGs by the year 2015.

In this context, it is a matter of growing concern for the international community that the difficult economic and fiscal situation in Japan in recent years associated with growing skepticism towards ODA has resulted in actual cut-backs in budgetary outlays for ODA. Brazil has been extremely grateful on her part for the ODA received from Japan through both the soft loans provided by the JBIC and the technical cooperation provided by JICA. As a middle-income country that unfortunately still shares some problems normally associated with the extreme poverty prevalent in some destitute regions of the planet, Brazil has been developing a very positive working relationship with Japanese agencies in charge of implementing ODA programs.

For the last four decades, Japan has been the most important technical cooperation partner in Brazil. Through its programs and projects, JICA has granted thousands of Brazilian agents technical expertise in human development training in such crucial fields such as public health, environment, and agriculture. Now I would like to draw your attention to a very successful cooperation project carried out by Brazil and Japan, which had a tremendously positive impact on the Brazilian production of grains, mainly soybeans and corn. I am referring to the project for the development of the Cerrado; the Cerrado, which is the savannah region in Brazil. This project—which is called by 'Prodecer' project as it is known—was a very important tool in helping to modernize and increase the agricultural productivity of the otherwise unexploited vast savannah region in my country. Divided into three stages, from 1979-2001, this project has been internationally recognized as a model for international cooperation that allowed to acquire the skills and competencies that has been leading it to become one of the world leaders in the agri-business sector.

As you may know, Brazil is now responsible for about 20% of the world's soybean production. It is also the world's fifth largest country, with a territory about the size of the United States (US). Just to give you an idea of the importance of this project, the Prodecer has reached an area of 200 million hectares—the equivalent of five times the territory of Japan. Finally, as a result of this project, Brazilian soybean exports to Japan have jumped from 1.6% to about 12% over a 20 year period.

This solid relationship between Japan and Brazil on the bilateral level has also led to a very fruitful experience on trilateral cooperation as well. Starting in the year 2001 with the establishment of the Japan-Brazil Partnership Program that aims at extending technical assistance and social development to Third Countries, top Brazilian research institutions began providing training to technicians to African countries, namely Angola and Mozambique. Under the umbrella of this Partnership Program, Brazil has also extended its training capabilities to the benefit of some other Latin American countries and more recently to East Timor. In that context, I heard the great presentation which was made by Ms. Konno, and I myself who visited East Timor a couple of times, I think that Ms. Konno is in a very generous way, in a very Japanese way, dedicated a very important part of her time to a very noble cause, which is the development of East Timor. You probably know that East Timor is also a Portuguese-speaking country, therefore we keep with this new country very close ties.

As for the financial cooperation between Brazil and Japan, until the fiscal year 2003, 14 ODA projects, amounting to US\$1.7 billion have been implemented by JBIC. Some of JBIC supported projects, like the Tiete River Basin—this pollution project—the same project which was quite recently visited by Prime Minister Koizumi in his recent visit to

Sao Paulo. For controlling flooding if the Tiete River which flows through Sao Paulo— Brazil's largest city—we have had an impressive social and environmental impact on Brazil's life.

Another project that deserves special mention is the project *Jaiba II in Minas Gerais State*. It is today the most important project of expansion of the agricultural frontier in Brazil and irrigation in South America. The project will generate 100,000 new jobs for agricultural settlers in the region and earn about US\$60 million annually in export revenues. We are therefore very pleased with the ODA assistance that we get from Japan. And besides also the Brazilian case, I think it is very important to emphasize the important role that Japan is playing in peace building—as it was mentioned by my colleague from Sri Lanka—and post-conflict construction. I think these are very important fields in which Japan has a very high profile and I hope will continue to have. Thank you very much.

<u>Mr. Yokota</u>: Thank you very much Ambassador Cannabrava for very useful information particularly from Latin America, in particular from Brazilian experience, of Japanese bilateral and also trilateral assistance. I think there are a lot of points to be discussed a little later when we get into the discussion session.

Now I should like to move on to the next speaker, his Excellency Ambassador Domingo Siazon. As you may know, Ambassador Siazon has had a very long and friendly, intimate relationship with Japan. He is an excellent speaker of Japanese. One time, for the first time when I met him and he was speaking in Japanese, I thought he was Japanese. And when he introduced himself as Ambassador to Japan from the Philippines, I was really astonished but also welcomed that such an important person speaks excellent Japanese and trying to establish a good relationship further between the two countries. Ambassador Siazon was the Ambassador in Tokyo for five years since 1993...I am sorry, two years, 1993-1995, and then he was Foreign Minister for the Republic of the Philippines and then he came back to Japan as Ambassador since 2001. As you can see, how closely he has been watching what Japan has been doing and we are eager to listen to Ambassador Siazon; what he has to say. Ambassador, please.

<u>His Excellency Mr. Domingo L. Siazon Jr., Ambassador of the Republic of the</u> <u>Philippines:</u> Thank you very much. Deputy Director-General Kodama, Professor Yokota, Excellencies, ladies and gentlemen, I am so pleased to join you in this important Symposium held, as it is, to commemorate Japan's accession to the Colombo Plan and celebrate a half century of Japanese ODA. This celebration cannot be more pronounced than in Asia, for nowhere is the success of Japanese foreign aid more evident than in this, our common region.

In 2001, Japan accounted for 41% of all the ODA received by Asia from donor countries belonging to the Development Assistance Committee (DAC). In 2002, nearly 61% of Japan's total ODA went to Asia, with Southeast Asia continuing to rank high in Japan's list of priorities. In the late 1980s, Japanese foreign aid accounted for at least 15% and as high as 30% of the entire budget expenditures of almost all Asian countries with infrastructure development being one of the economic sectors benefiting the most. For instance, the total installed electric-generating capacity from generating stations generated with Japanese yen loans in Malaysia was 46%, for Indonesia 31%, for Thailand 16%, for the Philippines 5%. The lift better infrastructure gave to development efforts in Southeast Asia has been tremendous. Of course, success always has many fathers, but let it never be said that the vibrancy of Asian economies today owed little to Japanese foreign aid. Moreover, whenever continued growth and development were threatened as in times of region-wide emergencies, Japan has been quick to lend Asian countries a hand. Japan responded with the Miyazawa Plan during the Asian Economic and Financial Crisis, and with the Okinawa Initiative to the Severe Acute Respiratory Syndrome (SARS) and Avian Flu epidemics.

In the past 23 years, the Philippines received a total of more than \$9.4 billion from Japan, making it the third largest recipient of Japanese ODA, behind Indonesia and China. We have also thus far availed of 26 yen loan packages and of Japanese technical cooperation valued at \$1.6 billion. The Philippines receives Japanese grant aid of more than \$60 million a year.

So much has been said already, not just in Japan itself, about the past accomplishments, current role and effectiveness, and future directions for Japanese ODA, yet sour notes have been sounded, ranging from service, showing that people in recipient countries have little or no awareness of Japanese foreign aid to outright criticism of certain Japanese ODA projects. Not surprisingly, reactions within Japan to those criticisms have been inauspicious, along with mounting concern about Japan's fiscal situation. Calls for a raise to occur of ODA allocations and these the government heeded.

Those adverse upshots notwithstanding, the public debate and the heightened interest of Japanese taxpayers in the ODA process have yielded very important reforms; the most important of which has been the institution of greater transparency and enhanced participation by stakeholders, including academia, NGOs, local communities, and relevant agencies.

Moreover, to ensure that ODA projects serve the best interests of recipient countries, improved and more country-specific guidelines now govern the process. I had the honor last year to participate as the only foreign member of a panel tasked to screen candidates for the position of Environmental Inspector of the Japan Bank of International Cooperation. The JBIC Environmental Inspector is mandated to ensure that JBIC funded projects adhere strictly to environmental and social guidelines.

When the 1992 ODA Charter was being revised, not a few observers expressed concern about the national interest orientation permeating the discussions. At the end of the process, it became evident that the revised charter's outlook is not only not myopic, or self-centered, but much broadened and more progressive. It now firmly incorporates the concept of human security. There is clearer focus on poverty reduction, conflict resolution, prevention of terrorism, refugee assistance, and mitigation of infectious diseases, in addition to global issues such as the environment and water. Greater emphasis is placed on responding to the needs of local inhabitants and communities.

Japan's ODA allocations have indeed declined. Still, despite the reductions, Japan's ODA budget of \$9.2 billion for fiscal year 2002, was the second largest in the world and represented about 1/5 of the total ODA of DAC countries. In the last year, years 2000 and 2001, Japanese ODA per capita was \$97, the largest among G-7 countries and the seventh among all DAC countries. I therefore do not see the decline as the symptom of irreversible aid fatigue on the part of the Japanese public, but rather, as an adjustment towards focus and efficiency.

The core idea of the revised charter is to use taxpayer money not only more efficiently, but also strategically in ways that will promote Japan's goals of enhancing the security and prosperity of the global environment and of itself. Towards what ends Japan allocates its ODA is therefore as important if not more so than the ODA amount it gives. Japan's neighbors in East Asia throughout the last half century have gained much from Japanese ODA. Now, some of these countries are themselves able to extend ODA to

others.

Is Japanese ODA still relevant in this region? As you are well aware, East Asia has experienced economic growth that weathered a severe economic and financial crisis and very adverse business cycles. Each of the Association of Southeast Asian Nations (ASEAN) Plus Three economies is now a major trading partner of the others. Growing economic interdependence has enabled East Asia to move towards more formalized economic arrangements beginning with free trade areas. Observers say that Japanese ODA will have a significantly less role to play in East Asia on the reasoning that trade liberalization can contribute more to developing economies than infusions of ODA. Indeed, there are instruments other than ODA that also have far-reaching beneficial effects on developing economies, such as greater market access for developing country products and FDI, or through greater integration among neighboring economies.

The key to integration is convergence of economies. The expansion of the Canada-US Free Trade Agreement (FTA) in 1994 to include Mexico has shown that it is possible for a developing country to join developed economies in a reciprocal economic arrangement. And last May, the European Union (EU) welcomed ten countries with much lower levels of development. ASEAN and Japan are on track to bring about yet another example, the ASEAN-Japan Comprehensive Economic Partnership.

Convergence however requires two important components and in both, I wish to point out, ODA has a large role to play. The first component is quality human resources, without which effective regional integration cannot proceed. This reflects the self-help philosophy in Japanese ODA, or as JICA's activities exemplify, it is about teaching people how to fish instead of giving them fish. It is therefore of great importance that capacity building, movement of natural persons, and other human resources topics have been included in ASEAN and Japan's bilateral FTA negotiations.

To illustrate, one promising area of cooperation deals with Japan's rapidly ageing society. For now, one out of five Japanese is an elderly person. This ratio will become one out of four by as early as 2015 with deleterious effects on Japan's social security systems and its economic competitiveness. Already, Japanese caregiver associations admit that Japan's demographic situation has led to shortages of health care personnel in rural communities and in certain industries. We have thus received request on the possibility of training and then recruiting Filipino nurses or caregivers.

We welcome this kind of cooperation. But in order to realize this, Filipino medical care professionals will first have to undergo training in Japanese language and caregiving practices. The mechanism for making this possible is actually one of the topics for the ongoing Japan-Philippines Economic Partnership Agreement. In this regard, Japanese ODA has a role to play in the implementation of the training programs for nurses and caregivers.

At the same time since human resource development (HRD) is the personal phase of regional integration, Japanese ODA should continue facilitating exchanges with ASEAN of technical trainees, students and academics. In 2003, 93% of the 109,000 registered students in Japan were from Asia, but only 5% came from Malaysia, Thailand, Indonesia and the Philippines. Conversely, Japanese ODA could be used also to encourage Japanese students to study in ASEAN. For in either direction, since students stay longer, they are more likely to learn Japanese or other languages and cultivate lasting friendships with their peers. Moreover, Japanese ODA should maintain its focus on facilitating South-South HRD cooperation among developing economies, as that is a clear extension of the self-help philosophy.

Aside from quality human resources, a second important component is quality infrastructure, which is crucial to private sector entrepreneurship. The Japanese Chamber of Commerce in my country has always listed lack of infrastructure as a leading reason discouraging foreign investors. For countries like Vietnam, Cambodia, and Laos, that problem is even more serious. East Asia has begun laying the foundations of an Asian bond market, but until this system is fully developed, it is to the interest of less developed countries that Japanese ODA continues to assist in public works essential in national progress, such as transportation, communications and power facilities. For infrastructure development financing, I expect ASEAN countries to continue tapping into Japan's yen loans, because these are comparable to, if not better than the loans from the World Bank and the Asian Development Bank.

Critics of Japanese ODA regard yen loans as little more than an opportunity for Japanese private companies to expand their business abroad. However, the Japanese public must be informed that the loans are provided only to countries recognized as having sufficient capacity to repay the loan. For those unable to repay loans, such as some countries in Africa, Japanese ODA has been flexible enough to provide more grant

aid. To counter those criticisms, the focus should be on transparency in recipient countries with good governance, open procedures and extensive consultations can greatly diminish projects which are supplier-driven. And tying the projects to Japanese firms will also help raise the stature of Japanese ODA loans.

In efforts to reduce regional development disparities, Japanese ODA also can play a large role. To facilitate convergence in Southeast Asia, Japanese ODA has not been limited to the bilateral context. It is now contributing to the development of the Mekong region, where ODA projects are being implemented in five countries and one region in China.

To summarize, quality human resources and quality infrastructure may be regarded as the software and hardware of convergence, without which effective regional economic integration cannot proceed to meet fast-paced global challenges.

Before I conclude, let me mention another area where Japanese ODA can contribute to regional integration—the area of security taken in its broad meaning. The passing of the old geo-political order and renewed ethnic animosities have resulted in outbreaks of conflict with heavy losses in human life and refugee outflows in their wake. What is heartening, is that the revised ODA charter has sharpened Japan's focus on such humanitarian issues, particularly on cooperation in peacebuilding. As former UN Undersecretary General Akashi has said, 'If ODA is skillfully utilized, even on a small scale, but quickly and dynamically, it will have an extreme positive impact on the course of peace and growth.' This implies the use of ODA, not only for peacetime, long-term development, but also for projects that would consolidate peace, such as assistance to refugees and internally displaced people, removal of anti-personnel landmines, disarmament, demobilization, and reintegration, election support and restoration of basic services.

Japan is now expanding its profile in peacekeeping operations overseas. But I believe it is in such humanitarian areas where it can earn greater international goodwill and lasting political influence. Let me therefore express my thanks to Japan for its generous ODA assistance in Southern Philippines. I am sure that the peoples of Afghanistan, the Indonesian province of Aceh, Sri Lanka, and long before all these, Cambodia, share this gratitude. Japanese ODA has been a lifeline for many peoples for half a century. With greater focus and effectiveness, it can touch and improve even more people's lives in the years ahead. Thank you very much for your attention.

<u>Mr. Yokota:</u> Thank you very much Ambassador Siazon for a very useful information and particularly, I am impressed by your focusing on the importance of Japanese ODA perhaps to achieve even greater objectives for example regional integration in ASEAN region and East Asian countries. And also I am very much interested in learning from you that Japanese ODA is not only assisting developing countries and developing peoples, but also it is a mutually-assisting relationship. And Japan is actually helped through its own ODA. For example, he gave the example of coping with Japan's ageing society coming up soon. So those are the things perhaps we can discuss a little later.

Now last but not at all least, a presentation by his Excellency Ambassador Elikunda Elineema Mtango. He also has had a very impressive diplomatic career and before taking up his post in Tokyo of the United Republic of Tanzania, he was Ambassador to Angola, also he was Ambassador to the Tanzanian Mission to the United Nations (UN) and other international organizations in Geneva. Also he was Deputy Minister for Foreign Affairs, and since 2000 he has been the Ambassador to Japan. Ambassador Mtango, you have the floor sir.

<u>His Excellency Mr Elly Elikunda Elineema Mtango, Ambassador of the United</u> <u>Republic of Tanzania:</u> Thank you. Mr. Kodama, Deputy Director-General of the Ministry of Foreign Affairs, Mr. Yokota, your Excellencies, ladies and gentlemen. I will begin my presentation by first of all explaining the very successful experience of my country with Japanese ODA; and secondly, I will go through briefly the impact of Japanese ODA in Africa as a whole; and thirdly, the challenges which are still to be faced concerning African development; and lastly, the expectations surrounding Japanese ODA in Africa.

Tanzania has been fortunate to be selected as one of the priority countries for Japanese ODA in Africa. We are actually top on the list of grant aid recipients in Africa. It is also one of the few countries where Japan has been contributing to sector-based basket funds of the agricultural sector development program. And where all the money in non-project grant aid was used for direct budget support, starting from the year 2001. Japanese ODA was channeled into Tanzania as a prioritized area of agriculture, basic education, basic health and medical services, basic infrastructure and forest conservation.

In the agriculture sector, Japan promoted aid coordination among various donors through a combination of grant assistance and technical cooperation. Japan has also advocated the enhancement of local government capacity in the area of agriculture. In the field of education, Japan provided grants for classroom construction and for technical cooperation. Also, for a teacher's training program as well as remote learning and adult education. This support coupled with other donors' support and our own efforts have resulted in a rapid increase in primary school enrollment. To the extent of that, Tanzania expects to achieve the MDG of universal primary education by the year 2006 instead of the target year of 2015.

Japanese support will be critical in the construction of basic infrastructure, including roads, bridges, communication, and other power distribution networks, water lines, sewers and waste treatment facilities, given the rapid growth of urban population. So far, Japan has constructed about 20% of total land capable roads in the capital city of Dar E Salaam, 40% of the total power distribution, 30% of the telephone circuits, thereby strengthening our country's market-oriented policies and our democratization process. The total of Japanese support in the year 2001, for example, exceeded 200 million yen. I would like therefore to convey Tanzania's deepest gratitude to the government and people of Japan for this gesture of true friendship.

ODA has been very effective throughout Africa and contributes to the positive developments that have occurred in Africa during the last ten years. The Tony Blair Commission on African Development which was formed early this year, established that income poverty is falling in 15 African countries, nine out of ten children in Africa are now in school, real GDP growth rate is about 5% in 19 African countries, and democratically elected leaders do now exist in 32 African countries, compared to only in three countries in 1973. Furthermore, inasmuch as the situation in Darfur and Cote d'Ivoire is disappointing, conflicts in Africa have decreased from 19 in the year 2000 to three or four today.

Africa is very grateful for the level of interest showed by Japan towards African development, and Japan is recognized as one of the leading providers of ODA to Africa. We must also acknowledge the Tokyo International Conference on African Development (TICAD) Process and the strong leadership role Japan has played over the past 11 years. Without TICAD, and given the many other dramatic events that have occurred across the globe, it is clear that Africa and African issues would have fallen

even further down the overall international priority list.

However, there remain great challenges, posed by the current situation in Africa as Dr. Konare, the African Union Commission Chairperson, recently stated, "At the current rate of progress, many African countries do not stand any chance of achieving the MDGs." The situation is particularly gloomy in 23 African countries. His view was that unless some major effort was made to help Africa, it is likely that many African countries would see deterioration in their conditions and levels of development. He further pointed out that Africa's population would exceed the 1 billion level within 20 years, the vast majority of them poor. That prospect, together with the implication of possible movement of poverty stricken Africans towards the developed world, should send a very strong signal, that considerably more needs to be done, and quickly, to assist Africa become part of the mainstream process of globalization.

The Organisation of African Unity (OAU) Commission chairperson spoke of the need for a massive effort on the part of the developed world, similar to the effort made by the US to rebuild Europe and Japan after the devastation of World War II, similar to the massive development effort made by Japan itself with regard to its Asian neighbors. The main focus should be development and the extension of agricultural production, agro-processing industries, development of small and medium-scale sector, access to markets, access to financing, new technology and the creation of jobs for the youth.

Africa needs to increase its own capacity to beneficiate the raw materials it produces in such abundance. It needs to value-add within its own countries and derive the benefit of higher value exports. Developing this capacity might well go beyond the current scope of JICA activities and programs, but it is what Africa needs, it is what Japan already has by way of technology expertise. Japan's private sector has the finance, so is it not possible for JICA to try to fashion some of its programs along these lines? Is it not possible for JICA to work more closely with Japanese business community to develop, maybe together with JIBC and other development institutions already operating in Africa and even some of our own development institutions, to develop programs which could lead in this direction? Namely, the path towards a greater Japanese private sector presence and engagement in Africa.

There is a great expectation in Africa regarding Japan which is viewed positively for its remarkable economic and technological achievement, for being the country that

championed African development through the TICAD process and the country which was first to recognize and declare that there will be no stability and prosperity in the 21st century unless the problems of Africa are resolved.

Let me conclude by referring to a recent commentary in the US Journal of Foreign Affairs, where the editor James Hodge Jr. argued that the world is undergoing "a transfer of power from West to East" that will dramatically change the context for dealing with international challenges. I would submit that Japan is the main pillar of the emerging power centre of the East. Africa looks upon Japan to play the leadership role that rightfully belongs to Japan. Thank you, Mr. Chairman.

<u>Mr. Yokota</u>: Thank you very much Ambassador Mtango, for bringing to attention the importance of African countries for the whole world in achieving the Millenium Development Goals, and I am emphasizing on the role of, particularly, Japan's ODA in working with African countries and African peoples to achieve these important goals. I think we have further discussion along this line later, but I thank him for the very good presentation that he just made. Now I think we deserve a little break, and I give the microphone to Ms. Shimizu, Master of Ceremony.

<u>Ms. Shimizu</u>: Thank you very much. Well let us take about a ten minutes' break. So at 15:50, we would like to resume the meeting. Until then we will have a break. So by 15:50, please return to your seats.

[Break]

<u>Ms. Shimizu</u>: Well, would you kindly be seated. We would like to start the second part of this program. The first we would like to hear comments from three commentators about the presentations given by four Ambassadors. I would like to ask Professor Yokota to play the role of coordinator.

<u>Mr. Yokota</u>: Well, thank you very much for your coming back. In the beginning we would like to hear comments from three commentators: we have Mr. Shigeru Sugunami, the person of Association of Medical Doctors of Asia (AMDA), and Mr. Katsuhiro Harada and Mr. Michio Kanda from JICA. And we would like to hear about seven minute comments from them, starting with Mr. Kanda from JICA.

Mr. Kanda served as the head of the Manila office, and he also served as the head of the Social Development Cooperation Department. Now he is a counselor to the President of JICA. Mr. Kanda, please.

<u>Mr. Michio Kanda, Counselor to the President of JICA</u>: Thank you, I am Kanda. I am from JICA, and today we are celebrating the 50th anniversary of the Japanese ODA. Looking back over the past years, well, I have spent about 35 years being engaged in development programs, so out of 50, 35 years have been closely related to my life. So from the practical perspective, I would like to look back over the past 50 years. Especially I would like to talk about the grant program and the technical cooperation.

First I would like to describe the characteristics of Japanese ODA. Professor Yokota and their Excellencies mentioned Japanese ODA, consisting of loans, grants, and technical cooperation. These three are major pillars of Japanese ODA and we combined these three, so that they can fit in the situation of recipient countries. So this is one of the characteristics of Japanese ODA. It is often said that Japan is well known for its effectiveness in infrastructure building, and also the ratio of the loan is greater than the grant in comparison with the ODA provided by other countries.

And second, all, as an example of these three forms of Japanese ODA—as Ambassador Siazon mentioned—there are several examples that we have observed, and that the Ambassador Cannabrava talked about the development. JICA's technical cooperation was combined with Japanese grants, bringing great benefits to the recipient country. And second, in my experience I have to say that Japanese ODAs made a great contribution because Japan could utilize its experience of becoming a prosperous country after the devastation following the war, and I think that Japan seems to be the only one country outside Europe which achieved such a rapid reconstruction. So Japan opened its country after a long period of closing the country, and it opened its country to the world in the beginning of the Meiji Era, and this is one of the very important experiences. And this was combined with this bitter experience of war and post war reconstruction and I think that these experiences could be well utilized in the form of ODA.

Well, Japan started its ODA when Japan was still poor. So I think that in 1980s, Japanese ODA had been provided by utilizing Japanese past experience of reconstructing its country. So we focused on the human development and the public

health, and the road construction and electricity distribution. So we focused on the development in the private sector. I think it is one of the Japanese characteristics of ODA.

The third characteristic was already mentioned by Ambassador Siazon. That is to help the self-help by recipient countries. Well, Japan has continued placing a focus on self-help or ownership of recipient countries, and I think that partnership and ownership are two major pillars of Japanese ODA and this is now shared by all the countries in the world. So Japan emphasized the importance of self-help by recipient countries and this kind of philosophy made a great contribution to the development and progress of developing countries.

Then I would like to talk about the future direction of Japanese ODA. The first, well there are bilateral programs, but in addition to bilateral programs recently we have observed that the regional cooperation plays a very important role in the East Asia and in all ASEAN nations starting with the five nations, and have expanded to ten countries. So Japan has helped those countries expanding regional cooperation, and I think that these can be regarded as good models of successful ODA. Japan started the TICAD process in 1993. It started the TICAD process for African countries. By continuing the TICAD process, I hope that Africa will share the common goal of development, and that New Partnership for Africa's Development (NEPAD) programs are being implemented. Through the strong support of regional cooperation, we can promote our ODA programs in the future. This must be one of the major pillars in the future direction.

The second is the cooperation of self-cooperation. This has already been mentioned by today's presenters. Based on Japanese experience, we can extend the good quality cooperation to developing countries. But at the same time the developing countries, which experienced development, can share their experience with other countries with South Korea, with Thailand—experience the development process. Therefore, they can utilize their experience to help other developing countries. That is the idea of South-South cooperation and Japan can effectively promote such South-South cooperation. Actually in some Asian countries, there are some people who are interested in cooperation to African nations and in Latin American countries—in Mexico, Argentina and Brazil—people are interested in extending help to other developing countries in the region. And JICA has also plans to help South-South cooperation. This is another pillar of the future direction of Japanese ODA.

And the third one is the support of peace building. This is becoming a very important issue these days. Well, this is a bit different from the conventional development aid. We may need different tools and technologies to promote peace building, but we can make the best use of past experience and also the Japanese past experience of reconstructing Japan after the war. And peace building in development aid share one thing in common: that is human security. In the words from the prospective human security, we have to look at very closely whether the assistance reaches the people in need. From this perspective, new types of activities will be needed in the future. So listening to the presentations by the four Ambassadors, I have got this kind of idea. Thank you.

<u>Mr. Yokota</u>: Thank you very much, Mr. Kanda. You have explained to us various things through the JICA experiences and some of them, the Ambassadors have mentioned and some of them you have organized the ideas much more clearly.

Next, Dr. Shigeru Suganami, please. He is the president of AMDA and, of course, he has a career as a medical doctor. But, in 1984, he established AMDA, and in 1999, he served as the member of the primary health care project in Zambia, and he has been engaged in various kinds of activities in Japan and overseas. And as president of AMDA, he will give us his comments on Japanese ODA.

Dr. Shigeru Suganami, President of Association of Medical Doctors of Asia (AMDA): First of all I would like to express my heartfelt gratitude to the organizers for giving this opportunity to make a comment. And also I would like to say thank you to all the Ambassadors for giving such informative presentations.

So the Japanese ODA has 50 year experience; however, NGO joined ODA in 1991, so we have the shorter period and, well, when the Gulf War broke out, the Japanese government spent more than 1 trillion yen. However, the Japanese aid was not very much appreciated, and then at that time the people criticized Japanese aid saying that Japanese aid does not have the human involvement. And then the Japanese government changed this idea and providing a budget of 1 trillion and 70 billion yen. So I think that the Japanese NGOs' participation in ODA started after the Gulf War, and so people in the world say that the assistance with human face is needed.

What does this mean? What does it mean to send people? And we have to learn from the

history. There is a saying that the wise person learns from history. And in 1951, the Sri Lankan statement at the San Francisco Peace Conference in 1951 says that Japan is a Buddhist country and so Sri Lanka, therefore, will not ask Japan to provide wartime reparation.

As Ambassador Siazon said, the quality is more important. And quite recently in 1991, in January when the great Hanshin earthquake took place, the then Philippine President Ramos said that the Philippines will provide some money for helping the affected people. So with his very kind words, I think that the distance between the Philippines and Japan became much shorter. So the very important thing is why we are going to help you.

The European and American countries say that human rights protection is a focus, and we have branches of assistance in 28 countries and we have overseas branches all over the world. And we have an office in countries with different religions, and mutual assistance should be the core of our help. And when we become friends, then we can help each other and then after that we can build a partnership. But partnership can be built only after we share the same hardships. So the partnership can be formed only after we find that the other people are respectable people. So respect and trust are two very important elements for us to overcome the difference of religion and ethnicity. So we now have 28 countries working together under AMDA, so the quality of the message is needed.

Quite recently, in Niigata, the great earthquake happened and the people who were affected by the Hanshin earthquake are now helping affected people in Niigata. Nine years ago they experienced a great earthquake in Kobe, and so that is a source of their energy to help others who are in a similar situation in Niigata. So family and friendship—those are very easy concepts for everybody to understand. So the most important thing is that you and I are friends, so when you are need then I would like to help you.

Many years ago, a president of some European country said that the Japanese people do not have many friends. But I think that his words are not correct. And so I think that Japan has enjoyed a very stable history, but we might be in need some day and then will need help from other countries. So mutual help is the base of our principle; one is that we want to help whenever they are in need; and second is that there is no difference of religion or ethnicity; and third is that always we have to pay respect to the people when we receive help or we provide help.

So the amount of money is not a big problem; the message is more important and the message is a core of the friendship. So I think that the Japanese ODA—the biggest problem that Japanese ODA has is the quality of the message. After 1990, the Japanese NGOs have joined ODA programs, in addition to Japanese official development aid. Now the NGOs are joining them to send the very good message to the people all over the world. Thank you very much.

<u>Mr. Yokota</u>: Thank you. Well, in implementing Japanese ODA, NGOs are playing a very important role. We cannot ignore the roles to be played by NGOs in this area stage. AMDA has been cooperating with the Japanese government in providing assistance in the areas where the Japanese government could not do, so thank you very much Mr. Suganami.

Next, I would like to ask a representative from the media, from journalism to give us his views. Perhaps there was a view expressed previously that perhaps Japanese ODA is not well-known enough by the Japanese people. Now what can the media do about it? Well, we have Mr. Katsuhiro Harada with us, who is from the *Nihon Keizai Shimbun*. He is a senior staff writer. He served as a special correspondent in Sao Paolo and New York as well. He has been in the international field and he has won a prize for his work. So Mr. Harada, please.

<u>Mr. Katsuhiro Harada, Senior Staff Writer, Nihon Keizai Shimbun</u>: Thank you very much. I am Mr. Harada from the *Nihon Keizai Shimbun*. I have been listening attentively to the Ambassadors' presentations; I was very impressed.

When we talk about ODA we tend to hear, within Japan, to think about from a narrow perspective. But if you look at the whole thing from a wider perspective of Asia, Africa and the global perspectives that can be very, very constructive for us Japanese as well.

Let me give my comments based very much on what the Ambassadors have already mentioned. Now the first point that I wanted to make is that I expected that there has been some apprehension expressed in the fact that there has been a significant reduction in Japanese ODA. And all in all, yes, the Ambassadors have expressed this concern. Japan was the number one ODA donor up until the year 2000. However, after that there has been a progressive reduction in ODA, so that in the year 2003—that is last year—there has been a reduction by about 30%. You probably think that Japan is the second largest donor country today; however, when you look at the way that ODA has been declining here in Japan and the way how the third and fourth position donors—they are increasing their ODA—I would venture to say that for the year 2004— even though we do not have the actual figures yet—I can tell you that by the end of this year there is a high probability that Japan will be surpassed by France. France would be giving more donations, more ODA, than Japan. And by the year 2005—that is next year—England and Germany will be surpassing Japan, and Japan will be ranked fifth position.

So Japan is reducing ODA, but other countries—in compliance with the Millennium Development Goals of the United Nations—many countries are increasing their ODA because one of the key objectives of the Millennium Development Goals is to reduce absolute poverty. And so many countries are saying that by the year 2003, they will be increasing their ODA to, say like, 0.3% of gross national income (GNI) or 0.7% of GNP.

And the United States, also, is now giving more ODA to other countries in order to try to eliminate the poverty, which is believed to be the breeding ground for terrorism. Now, the United States—until this whole terrorism issue—was not very keen about ODA, but they are now increasing it. But Japan is decreasing it.

In the revised ODA, yes indeed, it says that Japan will work hard in order to try to alleviate poverty in these developing countries; and at the same time, Japan is now volunteering itself to become the permanent member of the Security Council. And so when you look at all this, perhaps there seems to be some contradictions what Japan is aiming to achieve and what it is actually doing. I would say that Japan would have to, once again, think about the fact hard, that it is trying to become a member of the global community and what that implies.

Now, the second point I would like to mention then is it really possible for Japan to increase ODA quickly? Now I do not think that is going to be possible. We have to think about the Japanese fiscal restraints and also the image that ODA has on the part of the

Japanese people. For example, very often, ODA is associated in the mind of the Japanese people with interventions of the politicians, or that the Japanese companies are really using ODA in order to promote their business. And then there is also the fact of the corruption in recipient developing countries. It has these dirty images. At the same time, these days, people are quite critical about giving ODA to China, because China, they say, is no longer a developing country.

And so what you need in the future now, it is much important to try to improve the quality of ODA. And what does that mean? Well, we have to enhance the accountability and transparency of ODA to be able to show to the people—the Japanese people—where the money is going, how it is being spent. And we must be also able to convince the Japanese people about the significance of ODA. And we must also have many opportunities like what we have today, getting information from Ambassadors and of the recipient countries to give us their views about Japanese ODA.

Now the third point I would like to mention has to do with the large-size projects. These large-sized projects are feared to cause environmental destruction and also enforcing people to be displaced from where they are living. Now ODA could bring about problems; that is not impossible, but the important thing is what you have done to try to avoid this kind of destructive or negative impact.

If JICA or JBIC, for example, comes up with the social or environmental guidelines to make sure that this is not going to destroy the social infrastructure of the recipient countries. I think that it is the important point. And already I appreciate the fact that JICA and JBIC have come up with these kinds of guidelines. However, we must implement those guidelines; making the guidelines is a good, positive step. However, what is much more important is implementing those guidelines.

The fourth thing: strengthening partnership with NGOs. Mr. Suganami is sitting right next to me; he is from an NGO. We must strengthen this NGO partnership. In Afghanistan or Iraq, Iran and so forth, there are so many NGOs in these places and it has been unprecedented that so many Japanese NGOs are in these areas in order to undertake their activities. You know that there is a Japan platform; this is an organization or mechanism whereby the Foreign Ministry and the NGOs and the business community have joined forces. Even when NGO wanted to go for initial action, they did not have the money to do so immediately. Say, if some emergency occurs and they want to go to help these refugees immediately; when you do not have the money to support your initial activities you cannot go. But with a Japan platform now it is possible to do so.

But the Japanese ODA—what percentage of ODA goes to the destination countries through NGOs? In the case of the United States, 33.6% of ODA goes through NGOs apparently, in the case of the United States. But in the case of Japan, it is said to be 0.5%. The United States has large NGOs, like Cooperative for Assistance and Relief Everywhere (CARE) and so forth; however, it is from the latter 1970s-1980s that the United States started to have major NGOs. Before that, America did not have very many large-scale NGOs. It was part of the American policy to try to foster NGOs, so that CARE and other large-scale organizations—the NGOs—began to grow. Japan lacked in that effort. We are 20 years behind the United States in this respect. So we only have 0.5% of ODA money going through NGOs. We would like to improve the figure to at least to the level of The Netherlands and Canada, where 10% of the ODA is going through NGOs.

So there are some proposals I would now like to make. The ODA is for the purpose of improving the economic development and welfare of the developing countries. When you think about economic development, you really will also have to think about the environment. We are now living in an age where you can talk about economic growth only in terms of environmental protection as well.

In February next year, the Kyoto Protocol is going to come into force. Now when you think about environment, we have the so-called flexible mechanisms like The Clean Development Mechanism (CDM), the trading permit and so forth. From the aspect of the developing countries, if so much of the money goes into this kind of environmental project it is not entirely 100% welcome for them; they are afraid that the money may be going into these environmental things at the sacrifice of other ODA projects.

And so it is important for Japan to transfer technology to developing countries, the environmental technologies; also, to buy the trading permit—these are important things. But if they are to be done at the sacrifice of ODA projects, I do not think that is a very welcome thing for the developing countries. In these cases, maybe we should have some special quarter established for trading permit and for the transfer of environmental technologies. One of the things is when it comes to the issue of the success of Asian

economy, I think the fact that private sector money came in—in other words, private investment was a very instrumental factor. We talk about the FTA—now we must keep in mind the movement of people, goods and money through FTA when we think about ODA strategies. Thank you.

<u>Mr. Yokota</u>: Well, thank you very much. Now, we would like to entertain questions or comments from the floor. So I would like to ask the Ambassadors to respond to the comments and questions from the floor, as well. So first, I would like to hear comments or questions from the floor. Would you please raise your hand and introduce yourself; your name and your affiliation?

So switch on the microphone so that red lamp is on. Probably we will have many questions, so please try to be very brief. Yes please. Yes? The lady on this side. Yes?

<u>Ms. Ayako Hatano, Student, University of Tokyo</u>: I am Ayako Hatano, a student at the University of Tokyo. Well, thank you very much for your very informative presentations. And listening to the Ambassador from the Asian country, I understand that the poverty reduction is grossly related to the Japanese ODA, but I think that it will be better that we provide more ODA to African countries in order to eliminate poverty. Well, so the budget is limited, but can we help Asian countries or promote Asian integration at the same time?

<u>Mr. Yokota</u>: Some comment from Ambassador Mtango. Would you like to respond now or a little later? Whichever is fine, maybe later? Probably Ambassador Siazon would like to respond, and Ambassador Mtango also would like to respond. Later I would like to hear from there.

Now more questions, please?

<u>Ms. Miura, Member, Japan Civil Liberties Union</u>: Well, I would like to hear from Professor Yokota and the Ambassadors and I am a member of NGO on human rights protection. And probably the International Information Summit will be held in Tunisia next year; and ubiquitous and broadbrand are the two technologies that the Japanese government would like to promote. Japan tried to promote information technology (IT) revolution in Africa or Southeast Asian countries. So do you think that IT revolution will be effective in Southeast Asian countries or in Africa? <u>Mr. Yokota</u>: Well, I think that this is related to all the Ambassadors, as well as the commentators. Whoever has some interest or views on this—IT technological development and development assistance—it would be appreciated.

Any other comments? The man here.

<u>Mr. Baluah Sanjeev, Bangladesh</u>: ...moderator, ProfessorYokota, I am Baluah Sanjeev from Bangladesh and I have graduated from Tokyo University. I am an architect. Presently I am registered for one year at Tokyo University. And I have two points actually; the first one is a comment and the second one is a question.

My comment is actually as Bangladesh is a very good partner as a developing country and it has many views, comments and assessments on the Japanese ODA as a recipient country. So maybe in this location if there is any representative from my country and it would be a good chance to express our views in line with this ODA, I mean activities. This is one—my comment then. In the future, I would like to request actually to consider our representatives to join these types of occasions.

And my question, second one, is just to His Excellency, the Ambassador from the Philippines, Mr. Siazon and in his speech, the Ambassador has pointed out one important key point about the ODA—it is like a lifeline for the developing countries. And one of the very focus failed is the quality infrastructure development. My question is—actually in my country also I worked for development—I mean in the Ministry of Construction, in local government divisions, and we have many infrastructure development projects, primary school projects, other things, and quality infrastructure. What does it mean for developing countries? Is it acted out okay by the ODA? I mean the ODA professionals, that is, is it okay for developing countries? What is quality infrastructure for developing countries? Thank you.

<u>Mr. Yokota:</u> Thank you very much. This is directly related to Ambassador Siazon but other ambassadors may also have some comments on this particular topic. Now I see someone, a gentleman way back, yes.

<u>Mr. Michael, Staff, United Nations</u>: Yes, I am Michael from the Philippines and I work for the UN. My question is really more addressed to Mr. Kodama, but, of course, the other Ambassadors and panelists can make a comment on that, because as the title of this Symposium says it is about the recipient point of view. And according to my own personal research about Japanese ODA, when we talk about recipients' point of view, it always, it is a self-referential question; it is a question that goes back to the donor. As the country that gives the aid and that has the resources to give.

So my question is we already know the various challenges and problems facing the Japanese ODA from now and to the millennium. My question is really on the institutional side, because I believe that the value of aid that the donor gives is only as good as the institutions that implement them and that give them. And unless I think that the donor really goes out of its way and builds its capacity to give the right aid at the right time at the right place, the recipient will just have to be a beggar who cannot make any decisions on what aid is the best for itself. So I would like to ask Mr. Kodama, specifically of the Ministry of Foreign Affairs, to what extent is the Japanese government now trying to build its capacity to deliver aid that is recipient-oriented for the 21st century. Yes.

<u>Mr. Yokota:</u> Thank you very much. Mr. Kodama agreed to respond to your question later. Any others? Yes, now I recognize Professor Kusano, my old friend, who is an expert on ODA policy. Professor Kusano.

<u>Mr. Kusano, Professor, Keio University, Japan</u>: I am Kusano from Keio University. Well, today I have heard presentations by ambassadors on their views of Japanese ODA. I was very impressed with their presentations. But listening to their opinions, I feel that it seems that their comments are official comments representing the governments, but I am more interested in the frank opinions of the people in recipient countries.

How does the general public feel about Japanese ODA in these countries? The local mass media—not English papers—but the local language papers are taking up Japanese ODA? Local TV and radios—how do they report Japanese ODA locally? If you know it, please let me know.

As Mr. Ambassadors have mentioned that Japanese taxpayers, because of the very serious economic recession are not very active or positive about providing ODA to other countries, so—as Mr. Harada mentioned a short while ago—maybe Japanese ODA will decline if we do not do anything. So we have to appeal to Japanese taxpayers that are

saying that ODA is very effective. Of course we have to listen to the opinions of government officials, but we want to know more about what grassroots people feel about Japanese ODA. How often do local media report on Japanese ODA? If you know about that, please let us know.

<u>Mr. Yokota:</u> Thank you very much. Very useful opinions and questions. So, if we continue this on and on, maybe we will forget about them, and so I would like to hear comments from Ambassadors and commentators to respond to some of the questions and comments. Maybe for a few minutes each and if we have further time, then we will go the second round. So may I start with whoever wishes? Yes, Ambassador Siazon first.

<u>Mr. Siazon:</u> I was getting worried because I was told by my doctor that the sign of ageing is when you start forgetting things. And he said there are three conditions to determine when you are ageing: one is when you start forgetting things, and I have forgotten the second and the third. That is why I was worried you might not ask us to comment at all.

On the first, Mr. Mtango, of course, more ODA should be given to Africa. There is no question about that. But I would like to point out to you, when you provide ODA, this is based on a World Bank report. Whenever you have 1% of GDP in ODA coming in, it translates to 0.5% of GDP increase and 1% of poverty reduction. This is a World Bank report in 1998. I can give you a copy of my speech because all the footnotes are there anyway.

Second one is NGO member. This is ubiquitous and broadband. Before you can benefit from the Internet, you must know how to read and write. That is the basic requirement and I am glad to hear that the Ambassador from Tanzania said that nine out of ten students in Africa; children are in school and they will meet their Millennium Challenge by 2006. That means that if children can read and write, then certainly the IT revolution will benefit them—if they have the hardware, because you might have the software, the brains, but no hardware. So that is when, again, Japanese ODA can help in giving the hardware, even second hand computers. You know we received a few hundred second-hand computers last year from Japan, precisely for these school children.

The third is Mr. Baluah from Bangladesh. Certainly, ODA is required. You see, even in

the European Union from six, they started growing to so many—now from 15 to 25. A large part of the EU program is really to make sure that those countries with lower levels of economic development catch up with their neighbors so that they maintain more or less the same level of economic development leading to a greater convergence in development level. And that convergence later on brings not only prosperity but peace in the region. Poor neighbors can lead to political and security risks. And that is part of the problem in the Middle East—some are poor, others are very rich. That is also a problem in Africa. That is why there are a lot of civil wars, or near civil wars going on, or within countries—the South fighting with the North.

And as far as quality, what is quality infrastructure? It depends. What is the volume of traffic required from your airport or your seaport to your main capital and to your main industrial production zones? This is part of a queuing technique as you take probably in engineering or in financial management. You do not need a ten lane highway when you have got only 100 cars running a day. So this is all a question of your requirements based on the size of the economy.

Now, with respect to the question from the Philippines; donor-driven is what you are suggesting. In my statement, I indicated clearly that there have been many changes. And you see to suggest that this ODA is mainly donor-driven is to suggest that the developing country decision-makers are all passive. And I would kindly disagree strongly with that. Many in the civil service of even poor governments have brains and have been highly educated. So they know and they can negotiate with the donor country to ensure that their prioprities are taken into account.

As for Professor Kusano, I would like to thank him for his excellent work in preparing the commission draft of the policy recommendations on Japan's ODA in the 21st century. I think this is the same Professor Kusano, Atsushi Kusano. I will give you a copy of my speech because I have you footnoted in my speech.

I believe that we are here as government officials, but I did not clear this speech with Manila. I read documentation from the World Bank, from experts like you, from Heider Kahn, from F. Gini Govrigen—scholars who did an analysis on Japanese ODA. But I also was Director-General of the UN Industrial Development Organization from 1985-1993 before I came here as Ambassador the first time. We, in the Philippines, certainly appreciate Japanese ODA.

There are problems—with dams—you always have problems with the displaced people. And how is this reported? Every time you have a new peoject, the Japanese Ambassador is there; if some construction is involved, he participates in the ground breaking ceremony. When the project is completed, there is a big ceremony saying "Government of Japan Project" and the ceremony is covered in the news—including all the problems, all the complaints. We have a very free press in the Philippines. You can ask our friend from Akahata Newspaper who was based in Manila for a long time and who is here with us. He knows that. So this is how it is reported.

Unfortunately, in the Philippines, most of the newspapers are in English. But on the radio, and on the television, they use local dialects and also the national language. Japanese ODA projects are, I would say, widely covered and they are gratefully received. Thank you.

<u>Mr. Yokota:</u> Thank you very much. Ambassador Cannabrava, would you like to take the floor at this time.

<u>Mr. Cannabrava:</u> Yes, thank you very much. Well, I do not think I have to go through all the questions which have been answered by my colleague, the Ambassador from the Philippines. But I would like, however, to say to make a few comments.

First of all, the first question concerning the concentration of ODA in Africa. Well, I have to say that we, as you probably know, Brazil has a very special link with Africa. I think you can say that together with the Cubans, we are the Africans in Latin America. I mean, half of the Brazilian population has African blood. There are very few Brazilians, including myself, who have not got African blood in their veins. So Africa for us is a continent to which we are indebted because it is a continent which has had an enormous influence on the development of the Brazilian society.

So, I think that I fully agree that there has been a certain—I mean Africa has to receive with largesse, the money from any ODA program. Brazil herself, has dedicated part of our reserves, I mean we are not financially very powerful, but to help some African brother countries. But I would like to say that when this question, the question of ODA is not a static question. ODA is something which evolves.

For instance in the case of Brazil, given this stage of development of Brazil, we are not entitled to some kinds of ODA anymore. As a matter of fact we are entitled to a few ones. But we have evolved to the point that now we discuss with the Japanese ODA officials trilateral cooperation. That means we cooperate with Japan in providing assistance in fields in which we have a very good technology, like tropical agriculture, like tropical disease, and we have developed a very important program in say Angola, in Mozambique, and we are about to start the same in East Timor. So I would like to say that it is difficult to say, I do not see ODA as a static thing, I mean just channeling resources, but it is something which provides many scenarios. And in these many scenarios, you have to have resources allotted to different regions. This is the comment I have concerning the first question.

I think I was impressed by the question of the Professor from Keio University. I think it was a very interesting question. Of course, in my case, I do not have the same exposure as my colleague was besides Foreign Minister, and so he also worked, he did wonderful work at the UN. But I would say that we, today, I mean we try—although being officials—we try to be as transparent as we can.

Of course there are some limitations in certain cases. But in this particular case, I mean, and I am going to answer on the part of Brazil, there is no limitation at all, because the only thing I have to tell you is that a very recent enquiry in Brazil in which there was, "What are the most loved countries in the world?" Japan was elected the number one. So I am not going to tell you which was the last one, but Japan was the first one. So it is not only because of ODA that we have very special links with Japan, but certainly Japanese ODA played a role.

And if you look at the Brazilian press, if you look at the Brazilian associations, I mean in all fields, there is a feeling of gratitude and a very positive one. As my colleague said, there are complaints in certain cases. They say it is difficult to negotiate with the Japanese because the Japanese they have their own pattern of negotiation and you have to abide by it. But this is not a criticism—of course, we have to respect their way. But in principle, the assistance is well-received and I think it gives Japan a very positive image in my country. I think that I have—as myself of 40 years' career—I do not remember any strong criticism that I would say. Well, there was a specific project in which they criticized Japan for ODA—no, I do not remember that. So I think that I could say that the answer to your question in the case of Brazil, and I would advance in the case of my region, in Latin America, is very, very positive.

As to the interesting question—I am sorry, I am going back—that people have education; that people know how to read, they know how to write. But the IT revolution that we are trying to do in Brazil is important because it is also playing a very important role in the question of employment and unemployment, or disguised unemployment, as we have in Brazil. People who have access to computers and things like that, they can work, and they can have extra money. And of course the whole functioning of the country is changing. For instance, the income tax today in Brazil is done through the Internet. It has had a tremendous impact in Brazil. But of course what we do is this is used by a certain group, not by the whole country. They are a large segment of the population which has not yet access to this. And this is what we have to do to correct this distortion. Thank you.

<u>Mr. Yokota:</u> Thank you very much, Ambassador. And now, I would like to call on Ambassador Mtango for his reaction to the questions and comments.

<u>Mr. Mtango:</u> Thank you very much Mr. Yokota. I will make a brief comment on three points which were made from the floor. First is whether there should be more assistance from Africa. I thank the lady from Tokyo University for sympathizing with Africa. I think you are quite right. When I was looking at the percentage, relative percentages of assistance, I found that in the year 2001, Africa received 14.6% of total Japanese ODA as compared with 56.6% to Asia. But, having said that, it does not mean that the increase, which I think is deserving in Africa, should be at the expense of other Asian countries—not at all. But as you know the target figure of ODA set by the international community is 0.7% of the GDP, so there is room there as ODA increases to us reaching that target, then the increase could go more to Africa perhaps than other more endowed regions. Because, of course, yes, the situation in Africa is quite bad and it needs immediate assistance, but I repeat, it should not be at the expense of those who are already more privileged, but it should receive a greater proportion of the increase, which I am sure would be forthcoming, as the situation of the economies of developed countries continues to improve.

Now, secondly, about IT. Yes, of course the digital divide has been a problem which has been identified by the Kyushu-Okinawa Summit, as well as various other summits that followed after the Okinawa Summit. That not just the poverty divide, and not just the income divide, but the digital divide, now, is also threatening the poor countries of the world. Now there is nothing one can do without IT in modern world, so certainly Africa must strive to benefit, and IT will be effective.

Yes, of course, as Ambassador of the Philippines already stated, first thing is literacy, and many countries in Africa striving to reach that level. In the case of Tanzania, yes, we are going to reach that level by 2006, where all children would be in primary school. But as far affordability of computers is concerned, of course, that will take time before many families can afford computers. But what we are thinking is the creation of IT centers in various parts of the country. For example, at district headquarters; to have an IT center where people can come in and access into the Internet and get information about agriculture, about new technology, and read a lot of literature that is available at the Internet, and also be able to communicate with the rest of the world. And then gradually as the incomes of the people improve, then individual families can have computers at their own houses. But, of course, we cannot ignore the fact that the IT is an indispensable tool for modern day life, whether it be in developed or in developing countries.

Now the last point I want to make is about the comment by the professor from Keio University. Yes, we are not speaking here as a representatives of government, but rather in a personal capacity. In the typical example of Tanzania, for example, there has been a very wide-scale grassroots support projects. And most of the provinces, villages, districts, have benefited from the grassroots support from Japan. And for this reason, yes, Japan is very popular to the man on the street. I will tell you one example that one of the most recent Ambassadors of Japan called Ambassador Keitaro Sato; anywhere he will go in Tanzania people shout his name, "Sato! Sato! Sato!" They know his name in person, because of the role of Japan's assistance at grassroots level and the appreciation that the general public has towards Japanese assistance.

So like in Brazil and I believe in a number of other countries, Japan is also number one preferred donor country. But, of course, we have many other friends also whose assistance we quite appreciate. Thank you.

Mr. Yokota: Thank you very much. Yes, Ambassador Siazon?

Mr. Siazon: May I just comment, because I think what is happening is we are

comparing; mixing up apples and oranges. When you look at these statistics for ODA to Japan, Africa and then Asia, you have to understand that Japanese ODA is in three parts: grant, technical cooperation and loans. Now, if you can put all the three together, of course, Asia is very big. Why? Because the loan part for Asia is extremely big, and loans are given to countries that are credit-worthy; that means that they can borrow. But since many of the African countries are not credit-worthy, they cannot get JBIC loans.

So you have to compare only the grant part and the technical cooperation part, which is really given away. But exclude the loan part, then you will see, for example, that for the year 2001, the grant aid for Asia as a whole—this is not only East Asia—is US\$727.51 million; and for Africa it is US\$614.42 million. So the disparity is not too great. And for the technical cooperation part—this is big, this part is—US\$1.88 billion for Asia and US\$223 million for Africa. But the loan part was US\$2 billion 400 million for Asia, and I do not see any figure for Africa. So these things have to be borne in mind so that you have a better comparison of apples with apples, and oranges with oranges. Thank you.

<u>Mr. Yokota</u>: Thank you very much. We would like to hear from commentators, starting with you, Dr. Suganami, please.

<u>Mr. Suganami</u>: Thank you very much for giving me an opportunity to comment. Well, for NGO "partnership" is a key word—sharing the hardships. And what is important about this, the local initiative based on the local values is the most important thing. And Professor Kusano mentioned it a short while ago. How much the Japanese ODA is taken up by local mass media, so the sponsorship is a word which is not liked very much. So JICA places the poverty reduction in its center, and why are poor people poor? There is no theoretical research work, and the quality infrastructure is a word mentioned by the man from Bangladesh. And so the good quality, high quality infrastructure development can be possible based on the good philosophy.

And why are poor people poor? The professor says that even if they are capable and competent, if they are not given chances they cannot develop their competence. And so in 1998, President Clinton held the Conference on International Micro-Credit. And Grameen Bank has been very successful in Bangladesh, and so I think that in Bangladesh, Professor Yunus proposed this as a local initiative. And the Professor Singh from Bengal, India says that even if poor people are given chances, if they have not developed their capability they cannot make the good use of the chances given to them,

and therefore the capacity development includes literacy. Therefore, the government is responsible for developing the capability, so Dr. Singh incorporated the concepts of welfare in the economic theory. So I think that this is very important that we have to employ this into Japanese ODA programs. So in regard to these micro-credit programs, we have to introduce local initiatives so that we can reduce poverty more effectively.

Professor Kusano is very much interested how the Japanese ODA is evaluated by the local people, so I think that local initiatives based on the local values should be introduced more. And then I think that the Japanese ODA will be more and more appreciated by local people.

Mr. Yokota: Thank you. Mr. Kanda, please.

<u>Mr. Kanda</u>: As Mr. Suganami mentioned, when it comes to quality assistance, quality education, quality cooperation—well, yes, I do indeed think that these are the important aspects. I, myself, do not have a clear-cut definition as Mr. Suganami has. But I think it basically means that each item of cooperation or each item of assistance is handed down to each recipient in a very clear-cut, transparent way.

I think the way that this is done is the important aspect. And it has been the case in the last few years to try to do that. When we plan for a project, it is the participatory process. The plans, perhaps, are being made the government or by the JICA people or the survey team that was sent there; formerly, they were the ones who made those plans. But these days, there are participation from the stakeholders, and they, together, make the plans. I think that is the good quality assistance, and by doing that we can lead the whole project to a quality cooperation project. Thank you.

Mr. Yokota: Thank you. Mr. Harada?

<u>Mr. Harada</u>: Thank you. Somebody raised the issue of IT. And indeed telecommunication or communication is indeed a very important thing. Particularly given the globalization, the role to be played by IT is very important. Of course, it is very often used for economic activities, but also in issues like landmines or climate change and so forth. What has really moved that climate change or landmine issues were the people, the citizens' groups, the transnational civil societies that were connected through telecommunication, not just government. They were the ones who

were connected by telecommunication and they had the network to raise their voice against climate change or against the landmines. And the African country, for them to come into that network, they would be needing education and hardware, and that is what can be provided by ODA, by assistance.

The world is shrinking in many respects, and by recognizing that we are shrinking and becoming smaller, we even become smaller. The women going to Iraq as volunteers, and young people going there to Iraq as volunteers. Mr. Koda, for example, unfortunately he died, but he was motivated to go to Iraq—such a far away place—because he was motivated to do so by getting information through the telecommunication. The world is a small place.

As for the peace talks in Sri Lanka, we know that Mr. Akashi was involved in it or is involved in it. And maybe some people think the Philippines is a place far away, but then if you go to the southernmost of Okinawa Islands, you know, the Tagalog newspapers come floating all the way from the Philippines—it is so close to the Philippines. And also Tinga Tinga pictures; Mr. Takano—he is Governor of Nagano—in his office you have a picture of Tinga Tinga.

Then also Brazil; there is also a project being undertaken through the joint cooperation between Japan and Brazil. This is a forestation project, a re-forestation project undertaken. And the paper was to be brought to Japan, but now they have decided they would take the paper produced by to China, because they need paper. I think this kind of information is very important, and they often relayed through telecommunication.

<u>Mr. Yokota</u>: Now, there was a question to Mr. Kodama. Mr. Kodama would you like to respond to that question?

<u>Mr. Kodama</u>: Thank you very much. Our friend from the Philippines talked about the capacity building and good governance; the relationship between the two and how Japanese ODA can respond to the needs of good governance and capacity building. As Ambassador Siazon mentioned in his presentation, well, we on the part of the Japanese government would like to do a bit of a public relations (PR) activities. We revised Japanese ODA Charter completely last year and we talked about the assistance to developing countries through self-help efforts; and particularly the peace, democratization and so forth. These kinds of approaches will be positively supported by

the Japanese ODA. There will be a priority based on countries that are undertaking these good governance peace activities, peace building and so forth. This is what we call the positive link. These are the countries, they have the priority.

Then also, hard or soft, I do not know, but good governance really means that both the government and the private sectors in the recipient countries have very much to do with an individual's capacity. And so through technical assistance or cooperation, we would like to give as much cooperation as possible. We are trying to give assistance in terms of coming and formulating policies to do that.

Also, in Cambodia, Japan is now cooperating in one of the projects in Cambodia which tries to assist in one of the mass media projects in Cambodia. We have the so-called country-based approach. And we, on our part, when we were giving the end loans, and then the grant aid, we were not thinking about each country as an individual country. It was not a country-based strategy. There was the Poverty Reduction Strategic Paper (PRSP), and Japan was to align with that strategy paper. We need to try to secure that compliance and to do that Japan has come up with a comprehensive country-based strategies to align with some of the basic philosophies.

And so by next year we would like to come up with a mid-term policy of ODA. ODA Charter is a big thing, and we would like to have a mid-term perspective. For example, human security, peace building, poverty reduction. Also, poverty reduction through sustainable growth. Now on each of these items, we are trying to come up with specific policies to promote that. When it comes to transparency, yes, we will get the public comments, we will get the comments from the Japanese NGOs, as well, so that we can come up with the results by the middle of January.

Also, as for information disclosure, as Ms. Konno mentioned—the UNDP Ambassador—and we already started the monitor system participated by the general public. And we have the magazines and the website which gives this kind of information, and I would the people to use this kind of media as much as possible.

<u>Mr. Yokota</u>: Thank you very much. We had very rich comments, very substantive comments. We have a few more minutes, so we can solicit a few more short questions; two or three questions and we will have them answered immediately.

<u>His Excellency Mr. Michael Maue, Ambassador from Papua New Guine</u>a: ...the Ambassador from Papua New Guinea. I want to make some observations, if I may. First the review of the ODA program. In the review paper it did mention the interdependence of international community. I think that is very important because of the system that is given to countries and the importance of it to promote peace and stability throughout the region. And in that sense, of course, a lot of countries, including my own, appreciate the generous assistance through the ODA program that our countries have benefited.

Especially on some these trends that, perhaps, could be build upon in the future. Of course, the continuation of the programs in build or rather identified with the donor countries that are in partnership with both the donor and the recipient. And I think that is important to build in the programs or the ODA assistance into the identified priorities of recipient government, so that both the recipients and the government—the Japanese government—work in tandem.

The second important or rather the positive point is, of course, the country reports. The country reports are commissioned to and given the responsibility to individuals or instituations to carry out those independent reports—it is excellent. It is excellent because it enables the tax payers to appreciate—from an independent viewpoint—of how the ODA is performing in the recipient countries; and at the same time, it enables the recipient countries and the administration to benefit from the pluses and minuses, the negative aspects of implementation. So it works both ways; it gives the benefit to the tax papers and the general public—and that is what we have been concerned about, to make sure that there is sufficient support from the public; but at the same time it achieves that element of also reinforcing the cooperation and also enabling the donors and the mechanisms that it has, so that the NGOs have performed, and I think all around here there seems to be some general consensus that, yes, NGOs have an important role to play. They have expertise that in certain areas that can be utilized in all our countries; there are NGOs that have done an excellent job.

The final positive point is, of course, the grassroots assistance program, and the Ambassador of Tanzania did mention. It is popular because it penetrates the very people that live in the rural areas. Joining water from, you know, from the shores that are many several kilometers away, or digging a well in areas where there is no water. It changes the lives of people and it means quite a lot. Grassroots programs are very popular, and i

think that is important for the policymakers to keep that; to pay more attention to it, because it directly benefits rural communities where it matters most. I think that is the essence or importance of grassroot projects.

If I may just touch on one aspect that perhaps we could look at in the future for further improvement, and that is the importance of identifying from a donor's perspectives some of the impediments in the implementing agencies. Despite the priorities that may be placed, that may be legal personnel, software that may require both parties to sit down. But more importantly, from a donor perspective to identify those problems and sit down, because it assists beneficiaries to actually benefit or appreciate from a donor's perspective, which may not be clear from the recipient.

Another...in relation to having broad donor consultants in country. What will normally happen in any country, and I suspect maybe in many other too, is basically the implementing agency of that country dealing directly with JICA and Embassy officials. But it may be beneficial—and that is just a point that the Ambassador, sorry, the Professor from Keio has made; how do the general public know? Apart from the announcements and all that. It may be that you might have to open up a dialogue to everybody across communities—from government to private sector to NGOs to the civil society at large. And that is something that a few of our countries, including mine, that is what we are looking at in the long term. And I think that may be something that in the long term may be useful to look at. Thank you very much for the opportunity.

<u>Mr. Yokota</u>: Well, thank you very much, Ambassador, for your very useful and helpful comments. I think that those are very important comments, but they do not necessarily need responses from the panelists. So I can perhaps entertain one brief comment or question. Or would you? Oh yes? Anyone? No? Okay, anybody who would like to raise some questions? Okay, please.

<u>Mr. Nakamura, Student, Chuo University</u>: I am Nakamura, a student of Chuo University, and I have a question to Mr. Kodama and Mr. Harada. Well, ODA is assitance from developed countries to developing countries, and when the developing countries—recipient countries—become developed then ODA will have to be closed. And what are the conditions for these recipient countries to meet before they no longer receive ODA? For instance, now Japan is assisting China. What do you think about Japanese ODA toward China?

<u>Mr. Yokota</u>: Well, thank you very much. A very important question. So please try to be very brief. First from Mr. Kodama.

<u>Mr. Kodama</u>: Well, yes, the termination of ODA is a very important issue, and to be very brief, including China and other countries, grant is terminated when GDP per capita exceeds US\$1400. And AMDA or World Bank—not mechanically, though—but are using this as a criteria to close grants. And then, the next step will be loans. And I said that the benchmark is US\$1400, and another benchmark is US\$3000 and when the country reaches this level then the loan aid is terminated as well. And in 2003 the GNI per capita in China is expected to reach or it is currently at US\$1100, and therefore this is rather lower than US\$1400.

However, China has made remarkable economic progress. It has launched the manned spaceship, and so it has experienced remarkable technological developments, but still about 200 million people in China are living with less than US\$1 a day. Therefore, I think that Japanese ODA will be very useful to let China will be more open to the international society. So I think that this is a very useful instrument for Japan to use, to approach China.

Mr. Yokota: Thank you very much. From Mr. Harada, please.

<u>Mr. Harada</u>: Well, I will be very brief about the termination of ODA. Yes, that is a criteria we currently use. And then the accountability is important. It is said that the people regard China as developed country; yes, it is the developed on the coastal areas, but in China there are three different kinds of societies live together: the poorest society and the middle-income society and developed society. So China is also building its military capability. So we have to also watch for China's raction.

<u>Mr. Yokota</u>: Well, thank you very much for very useful comments. We have only eight minutes that we can spend, so as a moderator I would like to summarize today's discussion.

Well, there are 13 points. In the past 50 years, Japan's ODA has effectively assisted the governments and peoples of the developing countries. And generally, it is appreciated by the governments and peoples. However, more can, and perhaps should be done, to

make Japan's ODA more effective and useful. That is the first point.

Second, ODA is essential, not only for the immediate objective of economic progress of developing countries, but also for the longer term purpose of bringing stability and peace to the developing countries with particularly internal conflicts. In this connection, more efforts can be put into peace building, including Disarmament, Demobilization and Reintegration (DDR), which somebody has mentioned, and conflict prevention and conflict management. That is the second point.

Third point; for many developing countries, Japan is the largest donor. This is a welcome trend, but more should also be done in encouraging more investment from Japan, and also promoting agriculture by important agricultural products to Japan from developing countries. So that the trade relations is also considered as a part of ODA.

The fourth point; while acknowledging that the amount of ODA is not the only concern of us. The purposes and objectives of ODA cannot be achieved without substantial amount of means, namely money. In this connection, the amount of Japan's ODA should not be cut further, but rather be increased. Particularly to the level of internationally agreed figure of 0.7% of GNP; this was mentioned by the Sri Lankan Ambassador before he left.

Number five; it is important to increase Japanese public awareness of the importance of Japanese ODA in order to increase public support to Japan's efforts to assist developing countries. In this connection, more efforts should be made to achieve transparency of the ODA and also publicity. Mention was made in connection with good governance in connection with ODA implementation. And also, the need for institutional build up, and also the need for—general speaking—high quality ODA assistance.

Number six; Japan should do more to achieve the Millennium Development Goals by the developing countries, as well as various UN organs and agencies. Particular attention should be given to the eradication of extreme poverty. Here, mentions were made in connection with a need to emphasize on human development and human security.

Seven; the role of NGOs and civil society organizations in carrying out the ODA should be stressed and further promoted.

Number eight; private sector—that is business circle—should not be ignored in promoting ODA efforts to assist developing countries. More should be done by the Japanese government to increase Japanese investment in developing countries.

Nine; more efforts should be made to increase assistance to basic quality infrastructure in terms of roads, bridges and power lines and so on. Also, the soft infrastructure, such as educational system and training centers and so on should be focused.

Number ten; in providing ODA, Japan should pay more careful attention to the environmental implications of such assistance, and also human rights implications of such assistance.

And 11; potential for new types of ODA should be explored. And, in fact, some of them have already been done in an explorary manner, but mention was made in connection with Brazilian efforts. For example, assistance to developing countries; in order to let them assist much less developed countries. An example was given by the Brazilian Ambassador about Brazil's efforts to assist Angola, East Timor and Mozambique, which are Portuguese-speaking countries, and therefore Brazil has a special position to assist them. And Brazil also needs some money in order to carry out this assistance effectively. I think South-South cooperation should be more emphasized.

Also, peace building and nation building, post-conflict reconstruction—those should be also subjects to be supported by the Japanese ODA. Mention was made in connection with the need to fight back the threat from contagious diseases, such as human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS), malaria and so on. We should also pay attention to the needs of assisting refugees in connection with Japanese ODA. Also, I think Ambassador Siazon mentioned about the use of Japanese ODA to further regional economic integration in Southeast Asia.

The 12th point; ODA is not one way direction—that means donor-recipient relationship. It is a mutual and interdependent relationship, and this connection participation of local people, the partnership with the local people and the government and ownership of the recipient government should be emphasized. This is important, for example, to make Japanese foreign policy more effective in the world. It would, for example, Japanese ODA would also advance the general Japanese image among the recipient countries. And also, I think there is an important element in encouraging Japanese young people to learn more about developing countries. We need assistance from developing countries to increase the knowledge and experience in developing countries' history, economy and politics and culture.

Now, the 13th point; there is some element of disagreement and this relates to which region Japan should place emphasis on. And Asia, naturally, has been the most important area, but also Africa should be more central focus of Japanese ODA, and of course, Latin America should not be forgotten. I think, although, if we ask each Ambassador which region is important, it is difficult for them to answer because if each Ambassador comes from a particular region they would naturally think that each region is important. But, at the same time, I think regions are not isolated from the rest of the world, and regions are interdependent. Just one region making progress and forgetting the economic development of other region, it would not solve the problem of development in the world.

I assume that the general consensus in this connection is that perhaps Japan's ODA should be more aligned, more sensitized to the needs of each region and each country. Some countries need basic infrastructure in education and so on. Other countries may not need that anymore, but still needs investment from Japan and encouraging Japanese businesses to go in that region and in that country.

In the case of Sub-Saharan African countries, I think poverty eradication and immediate humanitarian assistance in terms of health and humanitarian assistance in refugees and so on should be also the focus of Japanese ODA. So with regard to the regional emphasis, it is not so much of the amount to be allocated to each region, but the most important thing is to understand the needs of each region and Japanese ODA be provided to meet such needs.

I think I tried to summarize, but the discussion has been so rich that I am sure that I missed many of the important points, but those are the important elements that I thought should be mentioned in my concluding observation.

Now, the time has passed and unfortunately, I realize many other people wanted to raise questions and make comments, but the time is limited. The only hope is that the Foreign Ministry and JICA and UNU will be able to co-sponsor similiar sessions in the future.

Perhaps in the future the Bangladesh Ambassador should also be on the panel. And maybe Ghanian or Nigerian Ambassador should be on the panel and so on. But this is something that we should consider in the future. I thank the panelists for excellent cooperation with us and good responses to the questions. Thank you very much for your cooperation.

<u>Ms. Shimizu</u>: Well, thank you very much all the participants. Well, this concludes today's symposium commemorating the 50th anniversary of Japanese ODA. Thank you very much for your kind cooperation.

Thank you very much, Professor Yokota. Thank you very much and to all the participants and all the panelists. Well, thank you very much for your very imformative presentations and opinions and responses.

This concludes today's event entitled, "The View on the Japanese ODA in the Recipient Countries". Participants, please fill in the questionnaire sheets when you leave the hall. And please leave the headsets for simultaneous interpretation service on the desk. Thank you very much.