

# I. Overview



Courtesy Call on Prime Minister Naoto Kan  
by H.E. Dr. Jean Ping, Chairperson  
of the AUC in Aug. 2010  
(Photo: Cabinet Public Relations Office)

**P**rogress in 2010, the year marking the halfway point in the follow-up to the Yokohama Action Plan (YAP) of TICAD IV, continued to be significant. This report provides a record of progress achieved on the implementation of the commitments made at TICAD IV from April 2008 through March 31, 2011 (incl. provisional figures), with special focus placed on developments in 2010. The detail of activities in 2010 submitted by respective implementing partners will be updated to the online database on the homepage of the Ministry of Foreign Affairs of Japan: <http://www.mofa.go.jp/region/africa/ticad/ticadfollow-up/report/index.html>.

Africa has been on a trajectory of recovery after the worst global recession in recent history. According to the African Economic Outlook\* estimates, the continent's growth rate is likely to reach 5.2% in 2011. However, there are several issues which might have an unforeseeable impact on sustainable development in Africa such as the increasingly serious rise in food and oil prices and political situation in some parts of the continent.

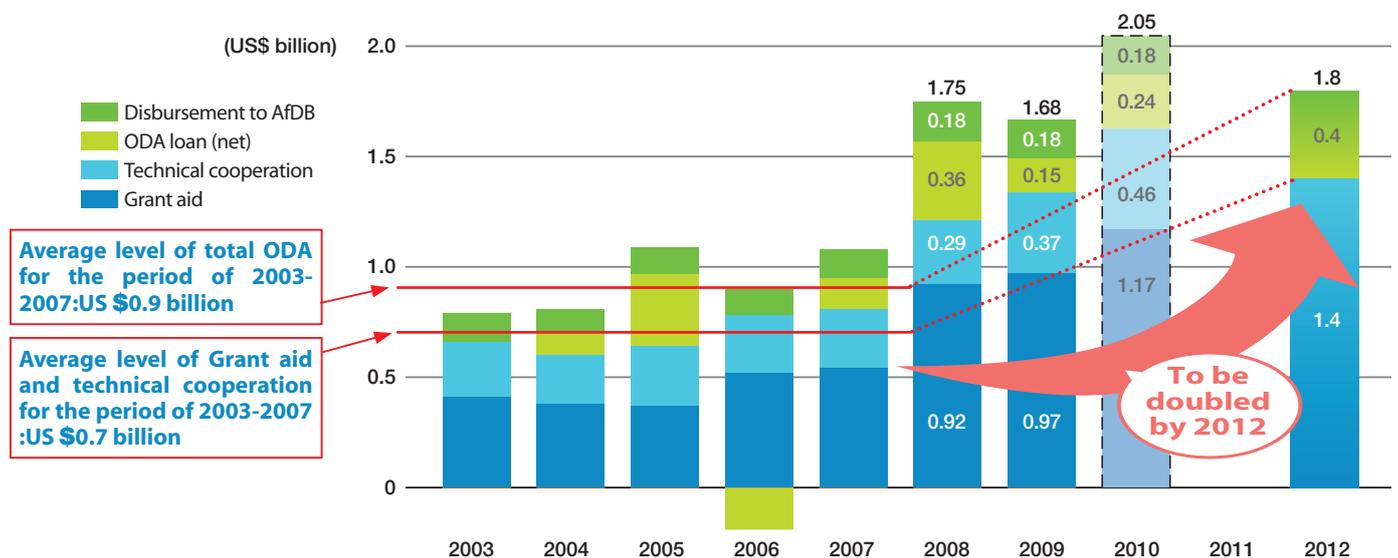
In cognizance of the political role of the African Union in leading and championing African development, the African Union Commission (AUC) officially became a co-organiser of TICAD in 2010. As a co-organiser, the AUC will continue to promote and protect the integration and development of Africa so as to achieve the overall development of the continent by working together with other co-organisers in close collaboration and coordination with all TICAD development partners.

\*Issued jointly by the African Development Bank (AfDB), the Organisation for Economic Co-operation and Development (OECD) Development Centre and the United Nations Economic Commission for Africa (UN-ECA)

## Japan's Official Development Assistance (ODA) to Africa

The Government of Japan pledged to double its annual amount of ODA to Africa — the average amount of US\$0.9 billion per year during 2003-2007 — to a target of US\$1.8 billion by 2012. US\$1.68 billion was disbursed in 2009, following on the US\$1.75 billion disbursed in 2008. Furthermore, the total amount disbursed in 2010 reached US\$2.05 billion (provisional figures), which exceeded the target amount for 2012. The Government of Japan intends to faithfully implement the comprehensive pledges made at TICAD IV.

### Japan's total ODA to Africa in 2009, excluding debt relief

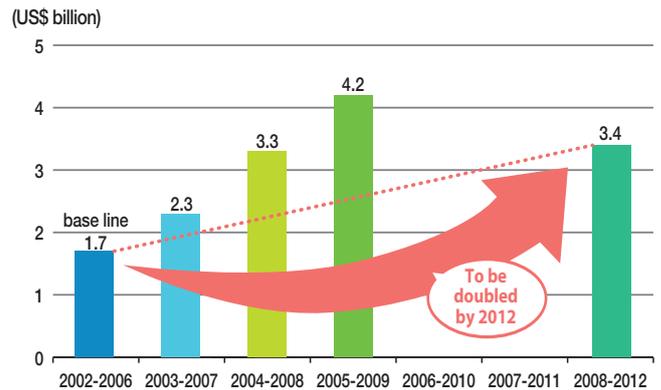


## Japan's Direct Investment in Africa

The five-year average of Japan's direct investment in Africa as of December 31, 2009 reached US\$4.2 billion, thereby temporarily over-achieving the pledge to double Japan's direct investment in Africa to US\$3.4 billion by 2012. One example of the major investments in 2009 is Ambato-vy Madagascar project, one of the world biggest joint mining projects run by Japan (Sumitomo Corporation ("Sumitomo") which shares 27.5%), Korea and Canada jointly financed by AfDB, JBIC, and others. Approximately US\$300 million was invested by Sumitomo in 2009, among its total investment of US\$1.2 billion.

While the aggregate total for 2010 is not yet available, the outlook is promising, with large-scale investments underway, such as the acquisition of South African firm Dimension Data by NTT (at a total acquisition cost of approximately 270 billion yen).

### Japan's direct investment position in Africa (five-year averages)



### Japan's direct investment position in Africa (assets at year end)

Year	2002	2003	2004	2005	2006	2007	2008	2009
US\$ million	1,232	2,052	1,628	1,332	2,701	3,895	7,325	5,734

\*The balance of direct investment position fluctuates yearly, therefore the average of 5 years' position at the end of year is calculated for the baseline (US\$1.7 billion) and the target (US\$3.4 billion).

(Source: JETRO)

\*Egypt and Libya not included.

\*The figure includes Mauritius where the majority of investment is estimated to be transferred to India.

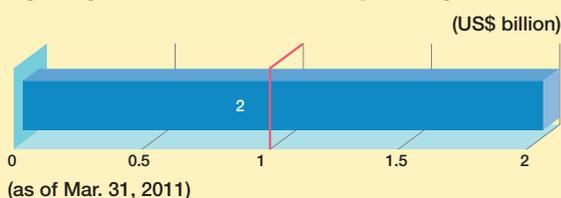
## The State of African Development and the Second TICAD IV Ministerial Follow-Up Meeting

Africa's growth rate was considerably higher than that of developed countries still affected by the global crisis. An overall growth rate of 4.9% is estimated for 2010, as compared to 1.7% in 2009. According to the World Bank's report "Global Economic Prospects 2011", this is primarily the result of high prices of oil and minerals and increased level of foreign direct investment. There were also reductions in poverty rates and progress towards the Millennium Development Goals (MDGs) in many parts of the continent.

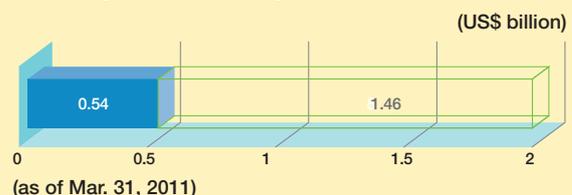
The Second TICAD IV Ministerial Follow-Up Meeting was held in Arusha, Tanzania in May 2010, and recognised that consolidated efforts by African countries and development partners were required for Africa to return to its pre-crisis record high growth of 5.8%. The Government of Japan conveyed Africa's views and concerns to the meeting of the G8 Muskoka Summit and G20 Toronto Summit in June 2010. Concrete measures announced by Japan at the meeting, which were designed to boost recovery from the economic crisis, have been implemented as indicated in the following figures.

### The status of Japanese support measures announced at Arusha (measures implemented as of March 2011)

- Provide assistance of approximately US\$1 billion in maternal, newborn and child health and other fields related to the MDGs beginning 2010 until the next Follow-up Meeting



- Execute infrastructure projects up to US\$2 billion over the following two years through ODA loans



- Provide assistance in the area of climate change (Japan's Fast-Start Financing for the Developing Countries up to 2012) with a view to strengthening the ties between Japan and African countries towards the establishment of the next climate change framework beyond 2012





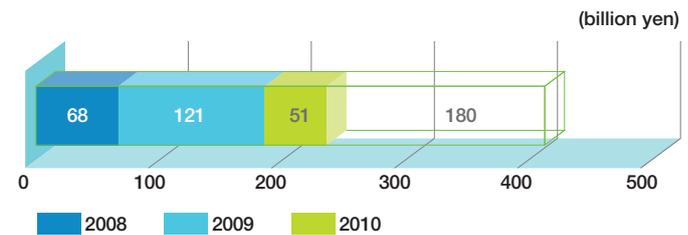
## Financial Facilities

Contracting of Japanese ODA loans by the Japan International Cooperation Agency (JICA) continued to progress in 2010, in a continuation of the previous year's results. Approx. 57% (239.7 billion yen) of the targeted maximum amount has been committed as of March 31, 2011. The largest portion of the committed ODA loan is directed towards renewable energy (32%) followed by electricity (18%), transport (18%), private sector development (15%), water & sanitation (9%), and agriculture (5%).

Further to last year's progress, finance by the Japan Bank for International Cooperation (JBIC) continued to proceed well. Over US\$2.1 billion, approximately 85% of the pledged target, was provided as of March 31, 2010 as shown in the following graph together with a list of new projects in 2010. The National Textile Company Plant project in Angola was contracted by Marubeni Corporation (total cost: approx. 25 billion yen) in Nov. 2010. It aims to contribute to the revitalisation of the textile industry of Angola through the rehabilitation and resuming of production activities of three existing textile plants. Upon its completion in 2013, approx. 3,000 new jobs will be created.

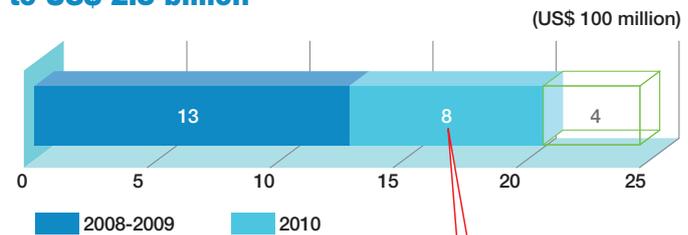
Commitments from the WBG to Sub-Saharan African countries rose to US\$13.85 billion in FY2010, including US\$7.2 billion in IDA, US\$4.3 billion from IBRD, US\$2 billion from IFC, and US\$345 million in MIGA guarantees. US\$3 billion of IBRD/IDA funds were programmed to North African countries.

### The progress on Japanese ODA loan commitment up to US\$4 billion (420 billion yen)



\*E/N base (as of March 31, 2011)

### The progress on JBIC loan commitment up to US\$ 2.5 billion



\*L/A base (as of March 31, 2011)

- ERC Refinery Project in Egypt (Buyer's credit)
- Renovation Project of a National Textile Company Plant in Angola (Buyer's credit)
- Metro Construction Project in Egypt (Buyer's credit)\*

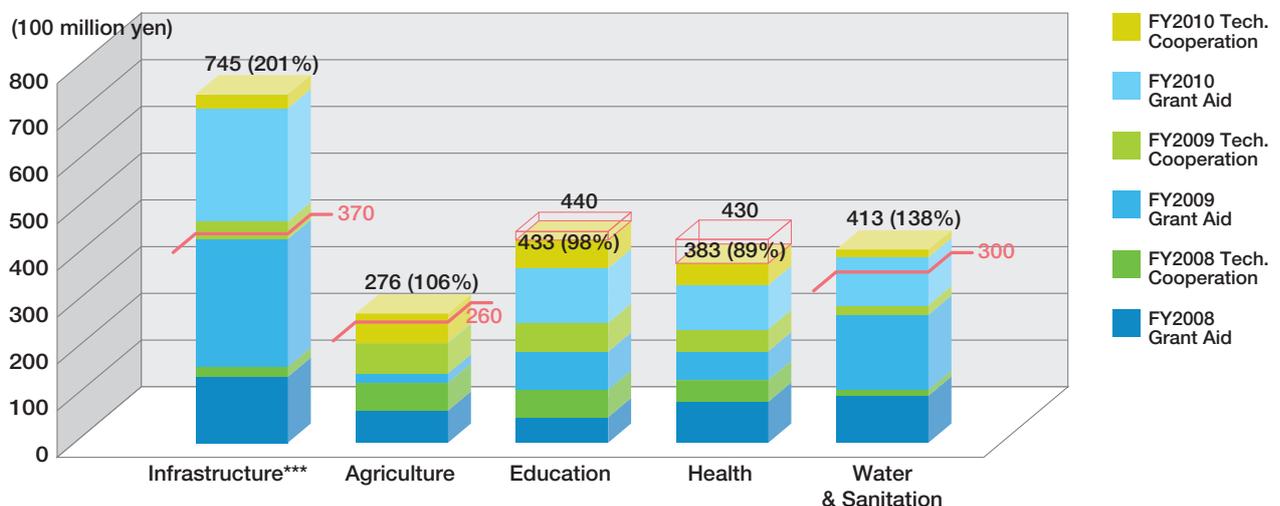
\*See page 9 for project details



## Analysis by Sector

Progress in meeting the YAP targets for grant aid and technical cooperation was good in all five sectors, in continuation of last year's achievements as indicated below. Following Infrastructure, which had already met its target amount last year, two more sectors (water and sanitation and agriculture) also exceeded their target amounts this year while two other sectors (education and health) are on pace to more than meet their 2012 target amounts during their progress in the third year (current as of March 31, 2011). Still further progress is expected during 2011.

### The progress of grant aid & technical cooperation by sectors (see details on the table of each sector)



\*FY2010 Grant Aid: E/N base (as of Mar. 31, 2011) (incl. provisional figures of Grant Assistance for Grass-roots Human Security Projects & Japanese NGO Projects in Jan. - Mar. 2011)

\*\*FY2010 Tech. Cooperation: Estimated figures based on the total amounts of FY2008 & FY2009

\*\*\*Excludes the support for irrigation and water sub-sectors