



**‘JAPAN-AFRICA RELATIONS AFTER TICAD IV-
A CASE STUDY OF JAPAN-UGANDA RELATIONS’**

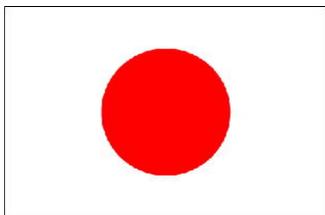
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I. INTRODUCTION:

- **TICAD IV Summit, May 2008 in Yokohama, Japan**
G8 Summit, Hokkaido, July 2008
 - Theme: Towards a Vibrant Africa: A Continent of Hope and Opportunity,
 - Importance of TICAD IV Summit underscored by participation of 51 African countries, 44 African Heads of State/Government including President Yoweri K. Museveni of Uganda and Prime Minister Yasuo Fukuda of Japan,
 - Japan putting African issues on international agenda/partnership
- **15 Years of TICAD as framework for Japan-Africa Cooperation**
 - TICAD I (1993), TICAD II (1998), TICAD III (2003) and TICAD IV (2008).
 - Mutual commitments by Japan and Africa for development.

Map of Africa

AFRICA



UGANDA

Population=28.5 million (2007 est.)

Area=241,040 sq. km.

GDP=US\$31.47 bn (PPP)

Economic growth rate 6.5% (2007),

II. TICAD IV: AFRICA - JAPAN FRAMEWORK:

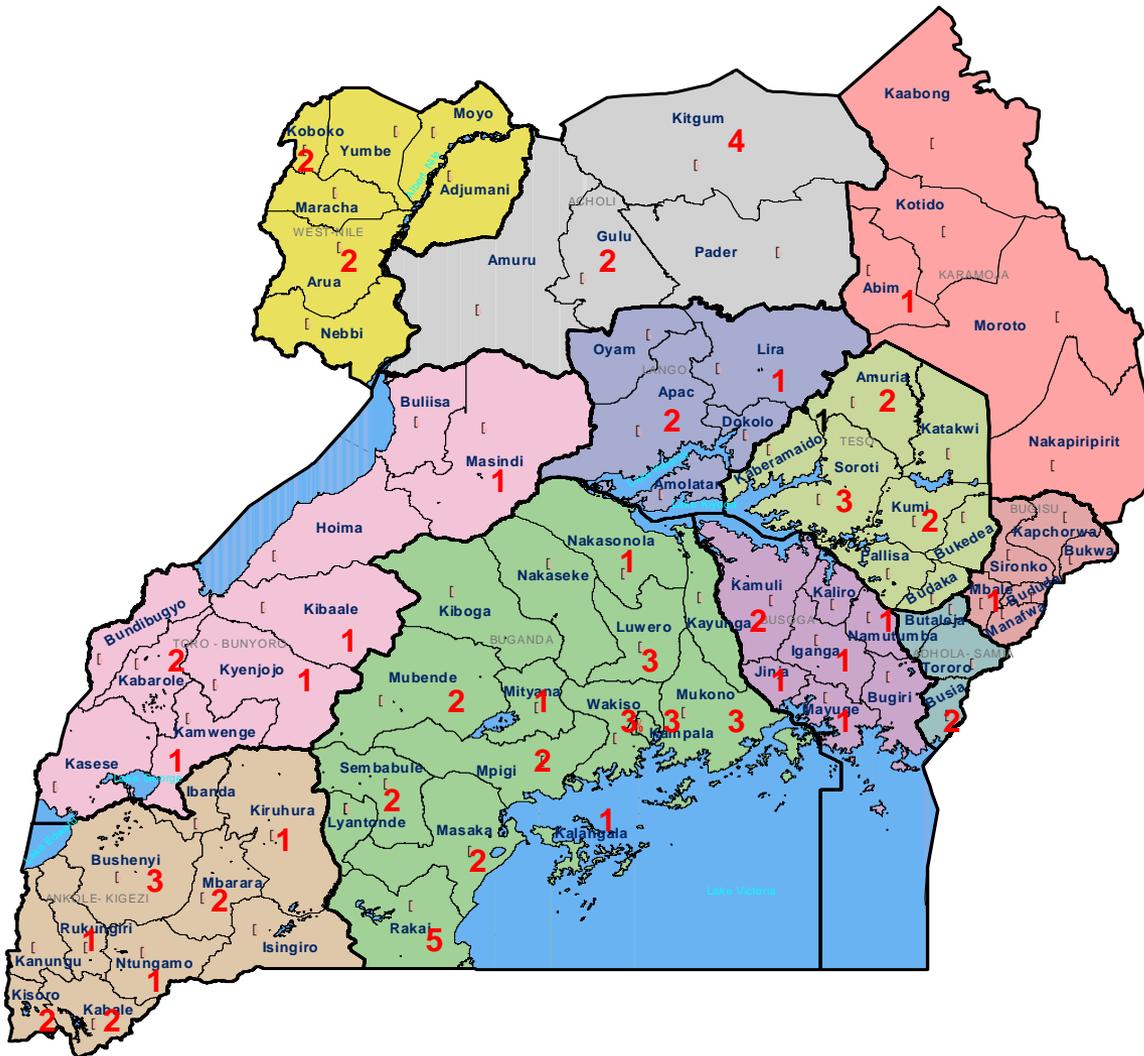
JAPAN'S COMMITMENTS TO AFRICA UNDER TICAD IV ANNOUNCED BY PRIME MINISTER YASUO FUKUDA AT TICAD IV SUMMIT

- Establishment of regional infrastructure i.e. road, rail and power networks.
- Utilizing ODA to trigger Japanese private investment.
- Promoting assistance for agriculture and rural development.
- Comprehensive measures to fight infectious diseases including HIV/AIDS, malaria and tuberculosis to meet Millennium Development Goals (MDGs) targets
- Promoting maternal, new born and child health as well as human resource development of health workers.
- Improving access to safe drinking water and basic sanitation.
- Supporting the consolidation of peace.

III. TICAD IV: UGANDA - JAPAN RELATIONS:

- Japan: world's second largest national economy, 5th largest provider of Official Development Assistance (ODA) worth US\$ 7.7 billion in 2007.
- Uganda is an influential player in Great Lakes region: Chair of Commonwealth Heads of Government (CHOGM) Meeting, Chair of Conference of Foreign Ministers (CFM) of the Organization of Islamic Countries (OIC), active participant in United Nations and African Union peacekeeping operations.
- Uganda facilitated/mediated regional peace processes e.g. CPA (Sudan), Burundi.
- Uganda member of African Union (AU) Peace and Security Council for 2008/2009 and AU candidate for UN Security Council (UNSC) non-permanent seat in 2009/2010. Japan is also Asia's candidate for 2009/2010 UNSC seat.

Japan's Grant Assistance for Grassroots Human Security Projects (GGP) by Districts (1997-2007)



No. of Projects by Sector
Education: 33
Vocational training: 8
Health: 12
Water & Sanitation: 11
Agriculture: 6
Industry: 2
Infrastructure: 1
Others: 4

No. of Projects by Region
Northern Region: 14
Eastern Region: 17
Western Region: 18
Central Region: 28

JICA Volunteers in Uganda (July 2008)



- **East = 32 volunteers**
Kaliro: 4, Kumi: 1,
Namutumba: 2, Butareja: 3,
Kapchorwa: 1, Mbale: 6,
Tororo: 4, Busia: 3, Bugiri: 1,
Iganga: 2, Jinja: 2, Kamuli: 3
- **Central = 35 volunteers**
Mukono: 9, Kampala: 7,
Wakiso: 10, Luwero: 7,
Kayunga: 2
- **West = 30 volunteers**
Mpigi: 17, Masaka: 3,
Bushenyi: 2, Mityana: 6,
Kiboga: 1, Rakai: 1
- **Total=97 volunteers** 7

2. Achieving the Millennium Development Goals:

- **(A). Community Development/Empowerment through:**
 - the One Village one Product Movement.
 - Safe and Clean Water supply.
 - Intervention of Japanese Volunteers.
 - Assistance for the Development of Northern Uganda.

(B). Education and Human Resource Development:

- Japan's involvement is in capacity development of :
 - education management and constructing class rooms and dormitories.
 - providing clean water; supplying essential books and stationery for rural schools.
 - teacher training in science and math at secondary school level, and vocational training.
 - technical scholarships to over 141 Ugandans p.a.
 - technical and vocational training e.g. Nakawa, Namulonge, becoming regional centres of excellence

(C). **Health and Medical Care:**

Japanese cooperation in Uganda covering:

- reinforcement of health administration capacities.
- technical cooperation in improvement of Health Infrastructure Management.
- control of infectious diseases, focusing on HIV/AIDS, malaria and tuberculosis.
- improvement of rural health facilities e.g. clinics and equipment capacity at local community level

3. Multilateral Cooperation:

- Uganda and Japan cooperate regarding:
 - the reform of the United Nations, Security Council reform.
 - Candidatures for International Posts/Jobs.
 - International peace and security initiatives.
- Cooperation to be enhanced as Uganda and Japan are AU and Asian candidates for non-permanent UN Security Council non-permanent seat for 2009-2010.

IV. CHALLENGES AND SOLUTIONS TO UGANDA-JAPAN RELATIONS UNDER TICAD

- The Yokohama Declaration gives overall political direction to TICAD.
- The Yokohama Action Plan and TICAD Follow-up Mechanism guide implementation and monitor implementation process.
- Japan linked TICAD IV outcomes to 2008 G-8 Summit in Hokkaido, dialogue between G8 and African leaders.
- Africa faces a number of challenges, including Minimal direct investment in Africa from Asia, A Weak Private Sector, Increasing Food and Energy Prices, High Poverty, Disease and Un-employment levels, Armed conflict, and the negative impact of climate change.

1. Boosting Japanese ODA to Africa

- Japan to double ODA to Africa over 5 years, 2008-2013:
 - ODA loans doubled to US\$ 4bn focusing on reducing cost of doing business in Africa.
 - ODA grants and technical cooperation to be doubled as well.
- Doubling Japanese ODA to Uganda at a focusing on infrastructure (roads, rail and energy).
- Opportunities in Uganda:
 - US\$ 27.96m Bujagali Inter Connection Project soft loan in 2007
 - Rural Electrification Project Phase II commenced in 2007.
 - Ayago Dam; 700 MW, serving neighbouring countries, clean, renewable energy.
 - Nalubaale Bridge on River Nile, Northern Corridor serving entire region.
 - Railway link to sea (Mombasa or Dar es Salaam), serving Rwanda, DRC, Sudan etc.
 - Aid for trade approach.
- **Challenges:**
 - **Doubling of ODA versus declining domestic support in Japan for ODA;** approval fell from 43.2% in 1990 to 19.0% in 2003. Communications strategy needed to inform on ODA success.
 - Increasing understanding in among African public of critical contribution and impact of Japanese ODA

2. Increasing Japanese Private Sector Investment in Africa

- Japanese investments in Africa:
 - account for only 0.6% of Japan's total investments abroad
 - largely concentrated in only a few African countries in north and southern Africa virtually excluding the rest of the continent.
 - lagging behind Asian counterparts e.g. China and India whose private sectors are investing heavily in Africa.
- Challenges:
 - Hesitation by Japanese private sector to invest in Africa due to misperceptions.
 - Weak African private sector, triangulation of resources, technology and skills.

• Opportunities under TICAD IV for Japanese investments in Uganda:

- Japan reorienting ODA to support Japanese private sector investing in Africa (loans)
- Japan established the US\$ 2.5 bn African Investment facility under JBIC to provide low-interest loans to Japanese investors in Uganda and other African countries.
- Japan established an Investment guarantee/insurance facility, low investment risk.
- Joint economic mission (public-private) from Japan to travel to Uganda in September 2008 comprised of Ministers, Members of the Diet and private sector investors.
- One-stop centre i.e. Uganda Investment Centre, eased investment procedures and Investment Code provides conducive regulatory framework.
- Phenix Logistics (U) Ltd. a model of Japanese SME investment in Uganda, US\$ 5.2m JBIC loan, already exporting organic cotton clothes/textile to Japan, US etc.
- Investment opportunities in production and processing/value addition for export;
 - agro-processing (fish, coffee, flowers, fruits, vegetables and forestry);
 - over 50 potential mini-hydropower sites identified
 - oil/petro-chemicals -Infrastructure - foods and beverages
 - ICT - Pharmaceuticals - dairy/dairy products
 - mining - livestock - metal/metal products
- Uganda targetting investments of US\$ 1bn over next 2-3 years.

3. Boosting Trade:

- Need to address issue of market access for exports developing countries.
- In 2003, Japan granted quota-free, duty-free market access to 175 agricultural products from Uganda and other developing countries.

- Challenges:
 - Actual exports from Uganda and Africa to Japan low, supply side constraints and non-tariff barriers i.e. production capacity, standards, certification, information gap among African exporters on Japanese regulations/procedures, little knowledge of Japanese market.
 - Low Japanese investment in Uganda. Japanese firms e.g. Phenix easily access Japan market, while this is complicated for indigenous Ugandan firms e.g. procedures.
 - Uganda exports unprocessed commodities, loss of revenue of value after processing.
 - Stringent certification standards .

- Opportunities under TICAD:
 - Increased Japanese investment in Uganda in value addition/processing before export.
 - JETRO to dispatch experts to Uganda on standards, certification, Japanese market preferences; JETRO partner Uganda National Bureau of Standards as centre of excellence.
 - Japan to review artificial bottlenecks e.g. regulations, which block Ugandan exports.
 - Movement of Labour: Japan to accept Ugandan skilled labour under a quota system for specified periods. Uganda's overseas workers largest revenue earner at US\$ 1bn. Ugandans also get skills development, investment capital and eventually export to Japan.
 - Skills development.
 - Nakawa, Namulonge as regional centres of excellence.

4. Promoting Tourism

- Approximately 19million Japanese tourists travel abroad annually.
- Japanese tourists to Uganda 500 in 2005/06, 1,000 in 2007/08 valued at US\$ 2.9m.
- Challenges:
 - Japan Government travel advisory, Uganda rated at Level 3
 - Japanese tour operators e.g. JATA and JTB do not offer tour packages to Uganda
 - History and Northern Uganda situation caused lingering misperceptions on safety.
 - Uganda needs to step up tourism promotion activities/publicity e.g. exhibitions.
 - Need to increase tourism infrastructure.
- Opportunities under TICAD IV:
 - Investment opportunities in tourism infrastructure, JBIC investment loans.
 - Review of Japan MOFA travel advisory in line with existing stability in Uganda.
 - Invite JATA, JTB tour planners to visit Uganda and offer tour packages to Uganda for Japanese tourists, feature Uganda in travel brochures.
 - Northern Uganda situation has been resolved, agreement soon to be signed.
 - Uganda to boost tourism promotion in Japan e.g. JATA World Travel Fair in September in, Japanese language publicity materials, participate countrywide in fairs etc, engagement with Japanese media, Ugandan private tour operators.
 - Japanese tour agencies e.g. Dososhin already taking Japanese tourists to Uganda.
 - Promote joint East African tour packages.

5. Transfer of Technology/Technical knowledge

- Through MOFA/METI/JICA technical assistance and private bodies e.g. Nippon Foundation.
- Opportunities in post-TICAD IV Japan-Uganda relations:
 - Scholarships: Japan to train 100,000 African health workers over next 5 years, currently Africa faces shortage of upto 1.5million health workers.
 - Technical/vocational training and education: Upgrade Nakawa Vocational Training Institute and Namulonge NERICA research centre to regional centres of excellence. JICA Scholarships.
 - Technical assistance: Increase JICA, JETRO, JBIC technical experts and volunteers in Uganda focusing on NERICA, science/math education, irrigation, environment, mechanics, trade.
 - Cool Earth Partnership to build capacity in Uganda in renewable, clean energy e.g. solar, hydro and biofuels. Triangulated under New Asia-Africa Partnership e.g. with Malaysia etc.
 - Boost agricultural production, promote green revolution e.g. NERICA as Uganda is regional food basket, partner Uganda Government's 'zoning' programme,
 - Linkage between Ugandan and Japanese research/educational institutions e.g. Makerere-Waseda exchange program underway, Makerere-Hiroshima on banana paper, Tama Art University developing banana textile technology.
 - Japanese private bodies to promote green revolution in Uganda e.g. Nippon Foundation through Sasakawa Africa Association boosting productivity among rural Ugandan farmers and already trained upto 2,300 students in 13 universities in Uganda and across Africa.

6. Cooperation on Climate Change-Cool Earth Partnership:

- At 2007 Heiligendamm G8 Summit Japan introduced Cool Earth 50; post-Kyoto strategy for countries to reduce GHG emissions by 50% by the year 2050.
- Africa lowest GHG emitter but hardest hit by climate change impact.
- At TICAD IV and Prime Minister Fukuda announced Cool Earth Partnership with facility worth US \$10 bn (\$2bn for adaptation and \$8bn for mitigation) assist developing countries to develop based on low-carbon economies.
- Challenges:
 - Deforestation in Uganda and across Africa for firewood etc.
 - Energy demand far outstrips supply; need for Bujagali and Ayago dams, solar, biofuels.
 - Significant impact of global climate change e.g. weather patterns hampering agriculture.
 - Large emitter countries failing to reach agreement on emission reduction targets e.g. G8.
- Opportunities under TICAD IV:
 - Uganda has access to Japan support under Cool Earth to develop 'new economy' i.e. low-carbon, renewable energy e.g. solar, hydropower and bio-fuels. New development model.
 - Access to appropriate technology triangulated with other Asian countries e.g. JBIC's Facility for Asian Cooperation on Environment (FACE).
 - Japan and other developed countries responsibility to substantially reduce emission levels
 - Uganda to cooperate with Japan private sector on carbon credit trading.
 - Japanese investments in clean, renewable energy, affordable technology transfer in Uganda.
 - Uganda to build capacity in adaptation and mitigation under the TICAD US\$ 10 bn facility.

7. Support for Regional Economic Integration

- Uganda's leadership role on regional integration since Regional Economic Communities (RECs) are building blocks for African stability and economic development e.g. markets.
- East African Community: Uganda, Kenya, Tanzania (2000)+Rwanda, Burundi (2007). Population=120 million, area=1.85 million sq. km., GDP=US\$ 41bn.
- EAC integration trajectory: formed in 2000, Customs Union in 2004. Targetting common market by 2010, monetary union by 2012 and ultimately political federation.
- Opportunities under TICAD IV:
 - EAC member-states have developed integrated regional policies on investment, infrastructure, trade, ICT etc. Uniform standards, cross-border projects.
 - Japanese private investments: EAC advantage of a unified market of over 120m people; free movement of production factors and goods/services, large pool of mobile skilled labour, policy and regulations standardised in the community.
 - JBIC developed Blue Book for Investment in East Africa, 2006.
 - Japan cooperation on regional projects e.g. Ayago Dam, Jinja bridge and rail network.
 - Japan to channel ODA loans directly to Uganda and EAC through EADB and UDB.
 - Increased Japan-EAC cooperation for regional benefit.

8. Consolidation of Peace and Security:

- TICAD recognised African conflicts are resolved by Africa's own efforts e.g. peacekeeping, mediation etc.
- Japan focused on peace consolidation (boosting security, political governance/transition and community reconstruction/socio-economic development).
- AU, RECs, UN and International community e.g. Japan important partners for African states.
- Uganda continues to play leadership role in Great Lakes Region and Africa on conflict resolution e.g. CPA (Sudan), facilitator of Burundi Peace Process, leading AU/UN peacekeeping mission in Somalia (AMISOM) and contributing to UNAMID in Darfur.
- Opportunities under TICAD IV in Uganda-Japan relations:
 - Japan to lead international logistical support to AMISOM and UNAMID under TICAD IV.
 - Consolidation of peace in Northern Uganda (PRDP). Uganda Government ready to sign agreement, Japanese assistance for post-conflict resettlement, reconstruction and development.
 - Japanese humanitarian assistance both bilaterally and multilaterally e.g. UNICEF.
 - Japan to lead other Asian countries to share experiences on conflict resolution and post-conflict consolidation under TICAD and South-South cooperation.
- Overview of African Union Mission to Somalia (AMISOM):
 - Authorised by AU and UN Security Council in February 2007.
 - Led by Uganda with over 1,500 Ugandan troops deployed in the stabilisation force in Somalia.
 - Mandate to support Somalia transitional government, train Somali forces, secure humanitarian deliveries and encourage the negotiations between the parties to the conflict.
 - Annual budget US\$ 335m, support for bigger AU/UN stabilisation force.

V. CONCLUSION:

- TICAD evolved over 15 years and has greater commitments and achievements.
- Shift to focus on aid for trade.
- Action-oriented: TICAD IV groundbreaking: clear Plan of Action and Follow-up Mechanism for specific, measurable, achievable objectives.
- TICAD IV demonstrated clear political will and roadmap for Japan-Uganda and Japan-Africa cooperation over the next 5 years.
- Uganda ready and eager to move forward to translate TICAD objectives into actual projects on the ground for economic development.

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Arigatoo gozaimasu!