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It would be highly instructive to know what you think of the shift in Japan's attitude towards Africa in recent years, Mr. Kitaoka. You have the floor.

Shinichi KITAOKA

Thank you very much. I have been leading JICA for the past two years, and let me start with the difficulty for Japan to persuade the people, that they ask me quite often why Africa, and of course, the biggest difficulty is the distance. It takes 15 hours or so, while you can come here by three, four hours, so Africa is for you like South-East Asia for Japan. That distance means a lack of knowledge, a lack of interest and so forth, but to overcome these kinds of handicaps, Japan has been hosting the Tokyo International Conference on African Development since 1993. That was a real starting point of our African engagement, except for a few countries, so we cannot compare this with France or Britain, or even Germany, or even China, because China has a long tradition of a relationship between the third-world countries, or socialist solidarity and so forth.

Japan was treated as a kind of honorary white in South Africa, so Japan's real engagement started after the end of Apartheid. TICAD started in 1993, for every five years. That had been a kind of Africa awareness week, frankly speaking, but last year we had TICAD VI in Kenya, Nairobi, the first one held in Africa, which was a big success, I think I can say. There, I found two positive changes on the part of Africa. One is the rise of good leaders, who understand the situation of those respective countries – what they have, what they do not have, what they need – and then trying to listen to the advice from other countries, and then trying to create a good strategy for development.

The second point, which is related to the first one, is that there are many countries relying less on resources, because they have suffered from the sharp drop of resource prices many times, and now they are trying to make more industrialisation without relying on resources. That is a very positive development, I think. In the recent past, I think that resourceless countries are making, generally speaking, better progress, development than resourceful countries. Our approach is somewhat in response to this: Japan's approach is focusing on such areas as agriculture, public health, education. These are traditional areas, which are the same for the South-East Asian countries, and also this is our own experience in Meiji Era of Japan. We focus on public health, agriculture, and so forth.

You know, everyone needs food, but one of the weak points for African development is that the living costs are relatively high, so they cannot take advantage of that low living cost, and then take advantage of the comparatively low labour costs, and then try to make exports. That has not been done in Africa, so why not start with the improvement of agriculture? You may know probably NERICA (New Rice for Africa), that is a contribution of Japan. Now, we can see many countries eating a lot of rice. In Senegal, for example, people eat more rice than young Japanese people, and then also, by the way, now, one of the most difficult things in Africa is the refugees from South Sudan to Uganda, and in the northern part of Uganda, thanks to the assistance from the Ugandan government and people, there are almost a million refugees, and we are supporting them by teaching them how to get rice. By teaching them the technology of rice production, we are trying to make them stand up.

Agriculture is one thing, and also one thing which was very successful in the last TICAD meeting last year was IFNA, Initiative for Nutrition in Africa. You know, not only food. Food should be something with very good nutrition, and it was very well accepted by the African people in Nairobi, so we are now promoting this beyond Africa. There are countries where people do not have enough nutrition, but there are many countries where people have too much nutrition, and this is very important.

This is related to public health. In public health, Japan started a system of mother and child health handbooks in 1948, which is a small handbook. Every woman is given one when she finds herself pregnant, and in which almost all the important data is written, such as when she was found pregnant, how heavy her baby was, what kind of shots are given to them, and we are promoting this in Asia – first Thailand and Indonesia in Asia – and also in Africa too, in several countries, which has been quite successful. This can be a basis for public health.

Then, we are also supporting education, both primary education and higher education. Therefore, ideally, we are willing to provide mother and child health handbooks, and then support and provide them with basic knowledge about health in kindergarten or elementary school, and then hopefully we can provide school feeding in schools. As I said already, agricultural production is very important. Hopefully, this will help create a value chain so that they can export it to foreign countries.

This rather comprehensive approach is what we are thinking, and we are trying to persuade the African leaders. We found that they are willing to understand this necessity. In the area of public health, one of Japan's contributions was "Olysetnet", a special mosquito net manufactured by Japanese company, Sumitomo Chemical, which was very useful to prevent malaria, and then I think it was widely used by the UN and other organisations.

Still, I have to say that Africa is very far. We are trying to promote the interest of small and medium-sized businesses in Japan. In Japan, 99% are small and medium-sized business, and many of them have a lot of innovative ideas, located in local areas, so we are trying to promote them, asking them to go to foreign countries for us, to South-East Asia, where they are going quite a lot, and now some of them are coming to Africa. Up to the second-to-last TICAD meeting, the businesses which had interest in Africa are the trading companies. They had a lot of interest in resources, but now we are trying to mobilise more interest with the small and medium-sized businesses to create – something small is okay, so that people from Africa can export and create some money, and so that they can create their own businesses.

For these purposes, we have a couple of things, the tools of this. For example, JICA has been sending volunteers: JOCV, Japan Overseas Cooperation Volunteers. The first group of JOCV was started in Ghana and Morocco, this country. Then, this year, we celebrated the 50th anniversary of the JOCV in Morocco, which has been very successful, and then they are of course communicating with people in the local areas, learning the language, and so they are very good at developing very good contacts between people to people. Not only that, they can bring some ideas about the industry, export industry and so forth.

I will conclude. One of them is that we are trying to invite more students from Africa, in the name of ABE Initiative. Abe is not Abe Shinzō; this is the African Business Education programme. There is two years' teaching in Japan, and then we include some internship in the businesses, which will develop a relationship between African businesses and Japanese businesses.

Jean-Michel SEVERINO

Thank you very much, Mr. Kitaoka. What strikes me, in comparison with the previous things I heard about Japan's view of its relationship with Africa, is that the range of issues you are interested in has grown much wider over time. The last point you mentioned is the start of a relationship between the two societies, between Japanese and Africans, which is also the recognition of the very global character of how investment relations must be structured. We have a few minutes to conclude and give the audience the floor. I would like to take advantage of this opportunity to share with you what excites and worries me about the present situation in two minutes.

Anniversaries always make us feel like looking back. We are celebrating the WPC's 10th anniversary, which makes me want to look back at the point where we started. Ten years ago, I would not have imagined heading an investment fund that has invested in over 80 African companies, SMEs and start-ups. Entrepreneurs are achieving amazing success with groundbreaking business models. That would have been completely unimaginable 10 years ago. This is a radical change, prompting thoughts about shifting into higher gear. What can be done to speed up the pace, not by a factor of two, but of 5, 10, 100 or 1,000?

Nor could I have imagined being on the boards of major multinational companies—Danone and Orange—rolling out strategies in Africa consubstantial with their own survival. They consider Africa crucial for boosting their EBITDA and growth in the next 10 years. It was unimaginable that Africa would become essential for companies posting €20, €30 or €40 billion in turnover and profits in the billions. Moreover, it is a place where they find sources of innovation that affect their own business models.

For example, the growth of Mobile Money accounts for a huge share of Orange's profits in Africa. It inspired Orange to launch its bank in Europe, which has been the talk of the French financial markets recently. Meanwhile, Danone has completely overhauled its food models and product strategies there. I could not have imagined heading the Paris subsidiary of Ecobank, an African bank that created 150 jobs at La Défense in the space of six years. Ecobank built its investment bank there and is one of the most dynamic employers in Paris. It is in the heart of managing flow systems, which are growing on the exchange, payment and currency markets.

All that attests to exciting, radical shifts leading us to change how we see Africa. However, I am surprised at how little Africa has learned from structural adjustment, how fast we have found ourselves saddled with macroeconomic woes since 2015 that look very similar to what we saw in the 1990s. I am also struck by how much the IMF and the World Bank almost implacably and painfully repeat completely outmoded economic restructuring and structural adjustment plans.

I am surprised nobody has mentioned the elephant in the room: China. Today, China is Africa's leading partner as an investor, buyer and seller. China is a continent-size country whose shift from an export economy to a domestic market economy is having a deep impact on Africa's economy. In a way, China is partly to blame for the African oil-producing countries' collapse, but it is also responsible for the emergence of delocalised industries in Ethiopia, Kenya, etc.

Lastly, the Chinese economy almost passively affects Africa's economy at nearly every instant. Our view of the growing ties between China and Africa is too superficial and must be integrated into our own vision.