### Resolution on the Desirable Form of Japan's International Aid toward the G8 Hokkaido Toyako Summit and the Fourth Tokyo International Conference on African Development (TICAD IV)

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# Special Committee of the House of Councillors on Official Development Assistance and Related Matters

Japan's budget for official development assistance (ODA) has declined substantially, by about 40%, over the last 11 years. According to donor rankings announced by the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), in terms of ODA disbursement Japan dropped from third place in the previous year to fifth place in 2007. In terms of the ratio of ODA to gross national income (GNI), Japan fell to twentieth place among the 22 member countries of the DAC.

Meanwhile, other major donor countries have been moving to increase their ODA toward 2015, which is the target year for the achievement of the Millennium Development Goals (MDGs).

In order not to be left behind by this current of ODA in the international community, to fulfill its responsibilities in the international community, and to ensure the effective utilization of ODA, which is Japan's major diplomatic tool, Japan is reaching a situation in which it must make policy and political decisions regarding the desirable form of ODA in the near future.

The Fourth Tokyo International Conference on African Development (TICAD IV) will be held at the end of this month, and the G8 Hokkaido Toyako Summit will take place in July. In addition, the new Japan International Cooperation Agency (JICA) is scheduled to be launched in October. In these circumstances, it is hoped that through the effective utilization of the new JICA, Japan, as the presiding country of this year's G8 summit, will play a leading role in efforts toward the strengthening of assistance to developing countries, including support to Africa and achievement of the MDGs; the solution of global issues, such as the environment, climate change, and infectious diseases; and the peacebuilding. The very mode of Japan's international assistance in the international community is being widely called into question.

In view of this situation, we hereby call on the Japanese government to adopt appropriate measures relating to Japan's international assistance with regard to the following ten matters:

#### 1. Need to Increase ODA and Set Numerical Targets

In the upcoming TICAD IV and the following G8 Hokkaido Toyako Summit, Japan has a responsibility to display leadership toward the reduction of poverty and the realization of social and economic development in developing countries in Africa and other regions through ODA and other means and toward the solution of environmental and climate change problems and other issues. In order to properly fulfill this responsibility, Japan should increase and expand its ODA, which has been on a downward trend in recent years, and adopt a positive approach by indicating specific numerical targets. For this purpose, the government should endeavor to restore the ratio of ODA to GNI to the 2006 level of 0.25% by 2010. The government should also make efforts to increase the ratio of ODA to GNI to 0.7% by 2015, which is the target year for the achievement of the MDGs, and, with a view to the success of TICAD IV, to expand ODA to Africa in particular.

#### 2. Cooperation for Achieving the MDGs

This year marks the halfway point in the MDG program. In order to achieve the goals, it is necessary for all aid-related parties, including the developed and developing countries, UN organizations, nongovernmental organizations (NGOs), companies, and individuals, to pool their strength and make efforts together. For this purpose, at TICAD IV and the G8 Hokkaido Toyako Summit, the strengthening of assistance by donor countries for achieving the MDGs should once again be affirmed. In particular, on the basis of the concept of "human security," Japan should make an active contribution in the fields of public health, water supply, and infectious disease prevention, in which it has a comparative advantage, by fighting against infectious diseases such as HIV/AIDS, tuberculosis and malaria, and strengthening health and medical systems, including the securing of human resources in the field of public health, improving maternal health and securing of safe drinking water.

#### 3. Promotion of Well-Modulated Assistance to Africa

Regarding support to Africa, Japan from now on should adopt an even more well-modulated assistance policy. For this purpose, as well as promoting the prioritization of fields of assistance and the prioritization of recipient countries in response to actual conditions in Africa, Japan should emphasize assistance in the fields of health and hygiene, such as measures against infectious diseases, and the field of education, which are consistent with the special features of Japanese assistance and could efficiently enhance Japan's presence. Furthermore, regarding the TICAD process,

as well as strengthening the involvement of not only the United Nations and international organizations but also the African Union, while promoting cooperation with the New Partnership for Africa's Development (NEPAD), which is a manifestation of African ownership, Japan should thoroughly carry out a follow-up process, such as the verification and evaluation of implementation during the five years between conferences.

4. Achievement of "Poverty Reduction and Economic Growth" in African Assistance As indicated in the "Proposals on a Desirable Policy for Japan's International Aid" issued by this Special Committee in June 2007 (the "Proposals"), in order to trigger a beneficial cycle of poverty reduction and economic growth in Africa, it is important for Japan, while capitalizing on the aid experience and expertise that it has accumulated in East Asia, to respond appropriately in consideration of such factors as the stage of development of the recipient country. Always bearing in mind the need to promote the participation of the poor in economic activities, Japan should actively consider rational and effective economic support for growth sectors, such as the construction of economic infrastructure using yen loans and the establishment of an environment that encourages private-sector investment. In this case, however, as well as emphasizing such factors as the improvement of governance through policy dialogue and the like with the recipient country and cooperation with international organizations and other donor countries through aid coordination, Japan should bear in mind that African countries became unable to repay their debts in the past and give due consideration so that economic growth does not create further problems.

### 5. Strengthening of Relationship with UN Aid Organizations and Ensuring Financial Contributions

In step with the substantial decrease in Japan's ODA budget in recent years, Japan's contributions to UN aid organizations have also declined. For example, Japan used to be the largest contributor to the United Nations Development Program (UNDP), but now it has fallen to seventh place in terms of contributions to the UNDP's ordinary budget and has lost its status as a permanent executive board member. As a result, there is concern that Japan's influence in decision-making in UN aid organizations will decline. In order to reflect Japan's aid policy in international assistance trends, and also in order to strengthen coordination between Japan's bilateral assistance and UN aid organizations, as well as endeavoring for effective utilization bearing in mind the special features of UN aid organizations, Japan should make efforts to ensure an appropriate level of contributions.

6. Active Utilization of ODA to solve Environmental and Climate Change Problems Environmental and climate change problems caused by global warming are the biggest issue facing humankind and a major topic on the agenda of the G8 Hokkaido Toyako Summit. In particular, developing countries are weak against environmental damage resulting from climate change, such as droughts, floods, high tides, water resource shortages, and the glacial lake problem. They are the most vulnerable to the impacts, yet they also lack the funds, technology, and knowledge necessary to cope with such environmental damage and adopt measures to counter climate change. The Japanese government has already proposed the "Cool Earth Partnership" concept, but from now on, in cooperation with UN organizations, related regional organizations and countries, it should provide active assistance in the financial and technical areas to solve environmental and climate change problems. It should also continue to pursue the effective utilization of ODA and make efforts itself to tackle and promote the Clean Development Mechanism (CDM) between the major developed countries and the developing countries.

#### 7. Quick Response to Rise in Food Prices

Rising food prices not only bring about a great increase in the procurement costs of food assistance to developing countries but also cause serious situations, including food insecurity, for mainly the poor people in Asian and African countries. The international community, food exporting and importing countries alike, should cooperate in dealing with this problem. In particular, at TICAD IV and the G8 Hokkaido Toyako Summit, as well as emergency support for the developing countries, the participants should consider countermeasures through a comprehensive framework including a response to the factors behind the rising food prices, such as the problem of climate change, the expansion of food demand in newly emerging economies, and the high price of crude oil and other energy problems. Furthermore, as the presiding country of this year's G8 summit, Japan should utilize ODA and actively adopt assistance measures to foster and strengthen the agricultural industry in developing countries, including technical development to boost food production, the construction of infrastructure to raise agricultural productivity, and the development of human resources.

## 8. Need for Urgent Efforts by the Government Toward the Fostering of Aid-Related Human Resources

In its "Proposals," this Special Committee positioned the development and recruitment of aid-related human resources as an urgent issue. The development and recruitment of

aid-related personnel is even more important in terms of ensuring Japan's influence and presence in the field of international assistance. For this purpose, the government as soon as possible should promote studies toward the building of a mechanism for the development of aid-related human resources through cooperation between the public and private sectors, such as the central government, local governments, universities and research institutes, private companies, and NGOs. In particular, the government should actively and specifically study the creation of a Human Security Center (tentative name), as recommended by this Special Committee in its "Proposals."

## 9. Need for Aid Philosophy, Aid Strategy, and Regional Strategic Policies and Involvement of the National Diet

In the implementation of international assistance, it is necessary to establish an aid philosophy and aid strategy that can be shared by the whole nation and to gain the understanding and support of the people with regard to them. Furthermore, a response is required that makes effective utilization of the comparative advantage of Japan in countries and regions receiving aid. In our "Proposals," this Special Committee has already urged studies on the formulation of "regional strategic policies" based on discussions in the Overseas Economic Cooperation Council. From now on, as well as earnestly promoting these studies, regarding the "Priority Policies in International Cooperation and Priority Issues by Region" compiled by the Ministry of Foreign Affairs, the government should give due consideration to discussions in this Special Committee and, where appropriate, report on the contents and state of progress to this Special Committee.

10. Ensuring the Necessity, Rationality, Transparency, and Fairness of Assistance In addition to the above points, necessity, rationality, transparency, and fairness are required in the implementation of international assistance. This is a major precondition for gaining the people's understanding and support for international assistance, which is carried out with the use of public funds. From now on also, the government should give ample consideration to these points and make efforts to disclose and provide adequate information to the Diet regarding the actual conditions, performance, planning, and other features of international assistance.