



Embassy of France in Japan

**Speech of the French Ambassador to Japan
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on the occasion of the Symposium of the African Group of Tokyo
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**"The contribution of G8 in the implementation of NEPAD and the
realization of infrastructure projects."**

First of all, I should like to express my gratitude to the Group of African Ambassadors in Tokyo for inviting me here today, and to tell you how honoured I feel to speak after President Wade, who is among the five founders of NEPAD and a living symbol of the will of renewal of the African Continent.

By way of introduction, I would like to make three remarks:

A - First, I shall recall what the G8 is.

The G8 is an informal consultation forum for a small group of countries that play a major role in the world economy (representing 60 per cent of world GDP) and that are aware of their responsibilities. It represents an important meeting-place for the discussion of world affairs, and it has a vital role to play in raising governments' awareness and in coordinating and promoting initiatives.

The G8 is not, however, an international organization - nor is it some sort of "global board of directors". The various international organizations concerned (IMF, World Bank, UN, and/or regional organizations) are responsible for taking the necessary concrete measures. As President Chirac recently reaffirmed: "The G8 will remain legitimate as long as it remembers its proper role".

Moreover, France wishes that at Evian the G8 summit will return to its original calling as an informal forum for consultation and dialogue, whose purpose is to underline the major issues and offer suggestions for action.

Essentially, that is all the G8 is. But that is, after all, quite something.

**B - My second remark has to do with the present political context in
which the G8 must operate.**

We are presently engaged in constructing a genuinely fairer, more united international community, in which each country can make its voice heard and take part in decision-making. This multilateral approach is the best way to legitimize decisions and to make it easier to implement them. In spite of the

various differences of sensibility that may exist, it is the focus of this summit's activities. Its support for NEPAD, which represents a new way of looking at international affairs in Africa, is thus very natural.

C - My third remark is about the economic climate.

We cannot speak of Africa in isolation. Africa is a continent in crisis within a world economy in crisis. That is why it should benefit from the message of unity and confidence that France would like to see conveyed by the members of the G8 to the world's economic actors at the Evian summit. That confidence must be reflected in concrete commitments made by G8 countries, in the areas of finance and structural reform, to improve the world economy.

1- Why does Africa top the agenda at the Evian G8?

1.1 - The Evian G8 represents the continuation of an ongoing process

That process began at the 2000 Okinawa Summit, a Japanese initiative, when G8 leaders initiated a dialogue with African leaders. It led to the 2001 Genoa Summit agreement on a new partnership between the G8 and Africa, based on the New Africa Initiative (NAI), and then on its successor, NEPAD. At Kananaskis, in 2002, G8 leaders adopted the Africa Action Plan in support of NEPAD. France would be very glad if the Evian Summit could reaffirm that decision and monitor the start of the Plan's implementation.

1.2 - The African economy is lagging seriously behind

I would not like here to quote the statistics for Sub-Saharan Africa's share in the world's GDP, in international investment flows, or in world trade. I will say, however, that those statistics show an economy that lags seriously behind and that is actually in decline, rather than improving. Moreover, infrastructures remain at an insufficient level, and the health situation is a matter of very grave concern.

These facts alone are enough to justify significant efforts on the part of the international community.

1.3 - A third reason why NEPAD is on the agenda at the G8 in Evian is the proximity between France and the European Union, on the one hand, and Africa, on the other. We are geographically close and we have a shared history, and those factors produce a feeling of shared responsibility for the development of the continent. Europe cannot thrive if Africa is ailing.

2 - How can the G8 contribute to the promotion of NEPAD and the implementation of the infrastructures that are so essential to Africa's development and growth?

2.1 - With respect to the whole summit's program of work, France has proposed four priority areas which are linked to NEPAD's concerns: "Solidarity", "Responsibility", "Security" and "Democracy". Each area is primarily concerned with infrastructures.

There can be no infrastructures without:

- Solidarity (financial resources);
- Responsibility (transparency and sound management);
- Security (a climate of confidence);
- Democracy (participation of the stakeholders).

2.1.1 Solidarity

The first area, Solidarity, is focused in particular on Africa and NEPAD. A number of concrete initiatives have already been announced in this context. Allow me to give two examples:

Example 1 - The increase in Official Development Assistance (ODA). Several G8 members have pledged to increase their annual ODA budget. This represents a reversal of the trend seen over recent years, and should be continued. We would like the G8 to head in this direction.

Example 2 - On 20 February, at the France-Africa Summit, President Chirac announced a bold farm trade initiative for Africa, based on the following three principles:

1. A moratorium on all forms of farm trade subsidies for exports to Africa (with a view to achieving their ultimate abolition by WTO), including food aid for commercial purposes and export credits;
2. Granting Africa a special and privileged trade treatment, on a sustainable basis. Here, it is a question of simplifying, unifying, and ensuring the sustainability of the various preferential regimes granted to Africa, by focusing on the most effective regime;
3. Efforts to minimize the vulnerability of the poorest producers to variations in the commodity prices (for example, by adjusting aid to fluctuations in commodity prices, providing guarantees and financial coverage against price volatility, etc.)

This initiative, which has the official backing of the European Commission, is presently being reviewed by the WTO. France would like its G8 partners to recognize the initiative as a priority for Africa.

2.1.2 Responsibility:

The G8 must reaffirm the common code of conduct to be accepted by all those involved in globalization. The code concerns both corporations (corporate governance, conflicts of interest, social responsibility, and environmental responsibility) and public administration (the fight against corruption; transparency of transactions in the management of natural resources).

How can the principle of responsibility be translated into reality? What concrete proposals have been put forward? Here again, allow me to name just four examples:

First example: The question of water management. Water is a public asset which must be managed as such, at the appropriate local level, and in a transparent manner (that is, with the participation of the various stakeholders).

This was affirmed at the 3rd World Water Forum in Kyoto. Examination of the Camdessus Report at the Evian G8 will provide a further opportunity to address this vital area.

Second example: The relationship between infrastructures and regional responsibility. It will be easier for sponsors to study the implementation of infrastructures if there is a coherent and clear approach by African countries seeking aid. Those countries must agree about priority projects, and the African Development Bank (ADB) has drawn up a list of 39 such projects. It is also drafting a strategic plan, which must receive the political sanction of NEPAD. This African vision will make it possible to articulate regional and sectoral strategies, which must serve as benchmark for all actors.

Third example: The peer-review system. Ten of the 20 African countries on the NEPAD implementation committee have committed themselves to this approach. Joining in the system is voluntary and unconditional. The idea behind the system is to encourage countries to exchange experiences. Members of the G8 might support this process by inviting African countries to participate in the peer-review of their ODA policies within the Development Assistance Committee of the Organization for Economic Cooperation and Development (DAC-OECD). France is prepared to enter into this process.

Fourth example: France will propose that the G8 support the "Publish what you pay" initiative.

2.1.3 Security:

Global security implies efforts to combat terrorism and the spread of weapons of mass destruction. If the environment is not stable, then it is not possible to invest. Again: confidence is essential if we are to create infrastructures and make them operational.

2.1.4 Democracy:

The ideal of good governance requires dialogue between the State and civil society, and among individual States, and particularly between members of the G8 and their African counterparts.

NEPAD offers an excellent forum for healing political divisions, for promoting dialogue between the actors concerned, and for confidence-building, particularly among private sector participants.

Promotion of the idea of governance is essential when it comes to infrastructures since they require management and appropriate administration and political structures that allow transparency and partnership (in other words, democracy).

3 - How can France contribute to the G8 initiatives to support NEPAD?

Let me remind you that France has provided support at every stage of the process begun at Okinawa.

The President's initiatives have been followed up by a number of concrete

measures:

Example 1 - An increase in Official Development Assistance (ODA): France devotes 60 per cent of its total bilateral aid to Africa. Moreover, it has pledged to increase its annual aid budget by 50 per cent within five years, from 0.31 per cent of GDP (the highest percentage of any G8 country) in 2001 to 0,5 per cent in 2007 and 0.70 per cent in 2012.

Example 2 - On 17 March 2003, a cooperation agreement was signed in Tokyo between the Japanese bank JBIC and the French Development Agency (AFD), concerning the coordination of their activities, especially with regard to the financing of infrastructures. The agreement may eventually be extended to include Germany's development bank (KfW).

Moreover, as chair of the G8, France would like to propose certain priorities with respect to infrastructures.

France intends to present at the Evian Summit several examples of regional or subregional infrastructure projects based on proposals developed by the African Development Bank (ADB). Three projects were addressed at the meeting of aid development agencies that was held by the Agence française de développement (AFD) in March 2003, on the theme "Infrastructures at the heart of NEPAD". They were: 1) the "West Africa Power Pool" submitted by the World Bank; 2) the Niger Basin, submitted by France; and 3) MOTRACO, submitted by the European Investment Bank.

Another priority for France is the financing of NEPAD and the financing of infrastructures. We must find a way to ensure that public financing is suited to NEPAD projects, and that risk coverage for private investors in Africa is improved. At the Evian G8, France will promote discussion on how to adapt sponsors' practices to the objectives of NEPAD, especially in the area of infrastructures. Sponsors might, for example, take better account of the local financial sector as an actor in its own right in the financing of infrastructures. They might also place the emphasis on projects' financial viability (price-setting being the key factor in this regard); use the widest possible range of financial instruments available to them (budgetary aid, projects, sectoral approaches, funds, technical assistance, etc.).

Let me conclude by the following remarks:

In an uncertain world, France understands that a strong political will can change the course of events. Everything is possible.

With regard to Africa, we could simply resign ourselves to the present situation. We have chosen the opposite course of action. A very strong political will is being expressed today, by all sides, to rise up against poverty and injustice. Let us keep that will strong.

Keeping that will strong is the task of the G8 and of the international community as a whole. Let me assure you that France will do everything in its power to ensure that such determination remains undiminished and, moreover, that it remains so at the forthcoming Tokyo International Conference on African Development (TICAD III).

It is also the task of African countries themselves. The symposium being held today in Tokyo by Africa's ambassadors to Japan, in the presence of President Wade, one of the five founders of NEPAD, demonstrates Africa's determination to ensure that the "African renaissance" becomes a reality.
