

Africa Day 2009 Symposium

Session II: Panel Discussion

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At UN University

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B. On Japanese private sector investments

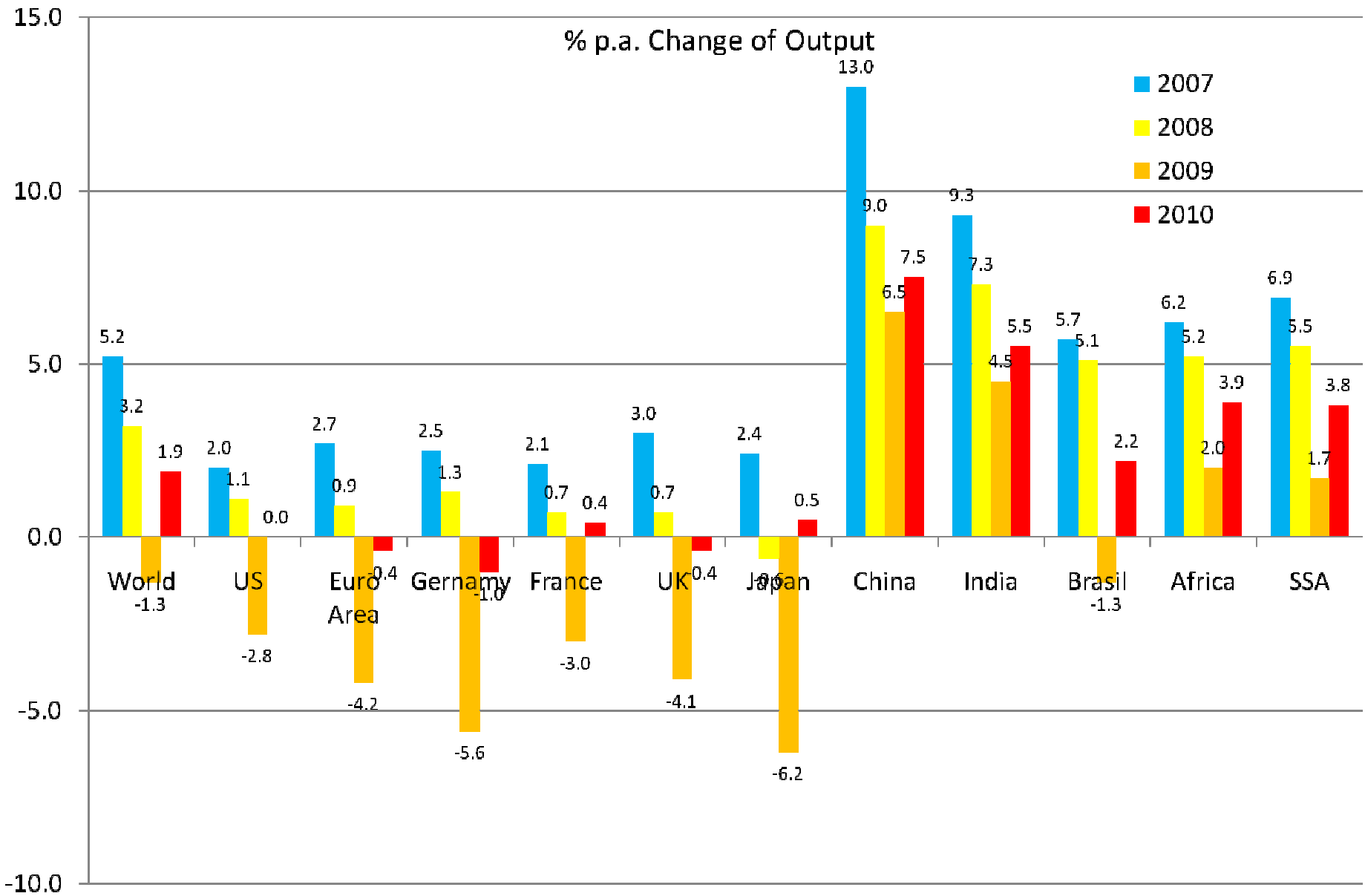
C. On some specific areas for cooperation

(1) Power Sector

(2) Financial Sector

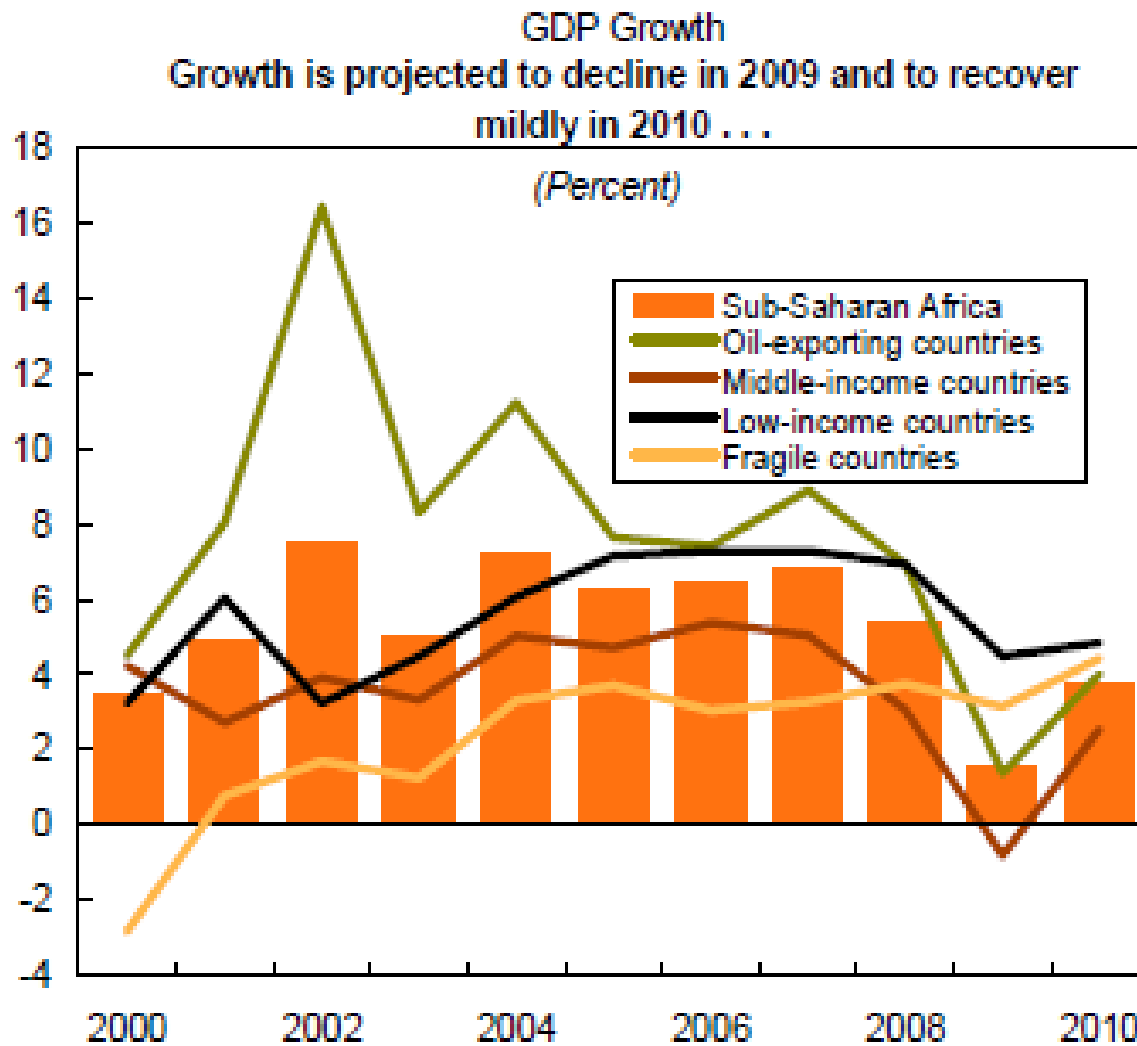
A. Macro economic situation of Africa and Japan

1. Economic outlook of major countries and regions



2. Economic outlook of SSA

Figure 1.13. Sub-Saharan Africa: Economic Outlook, 2009–10



	'09	'10
Africa	2.3%	4.0%
SSA	1.4%	3.8%

(AfDB/OECD, AEO, 5/09)

• GDP : Middle income and oil exporters badly affected

3. Capital flows

Capital Inflows in Sub-Saharan Africa
... and capital inflows to decline.

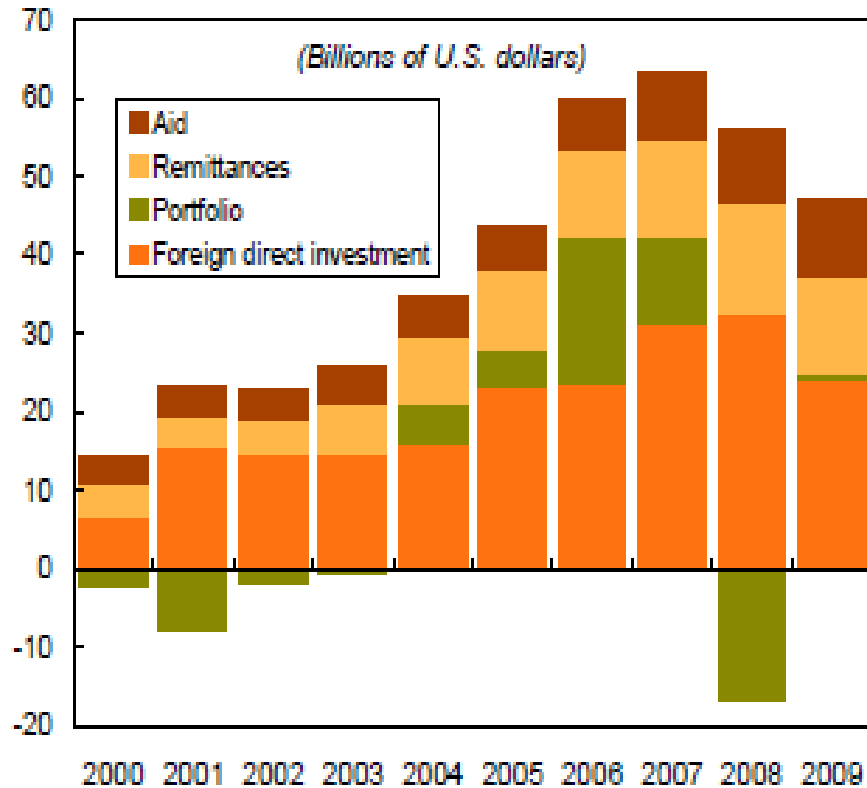
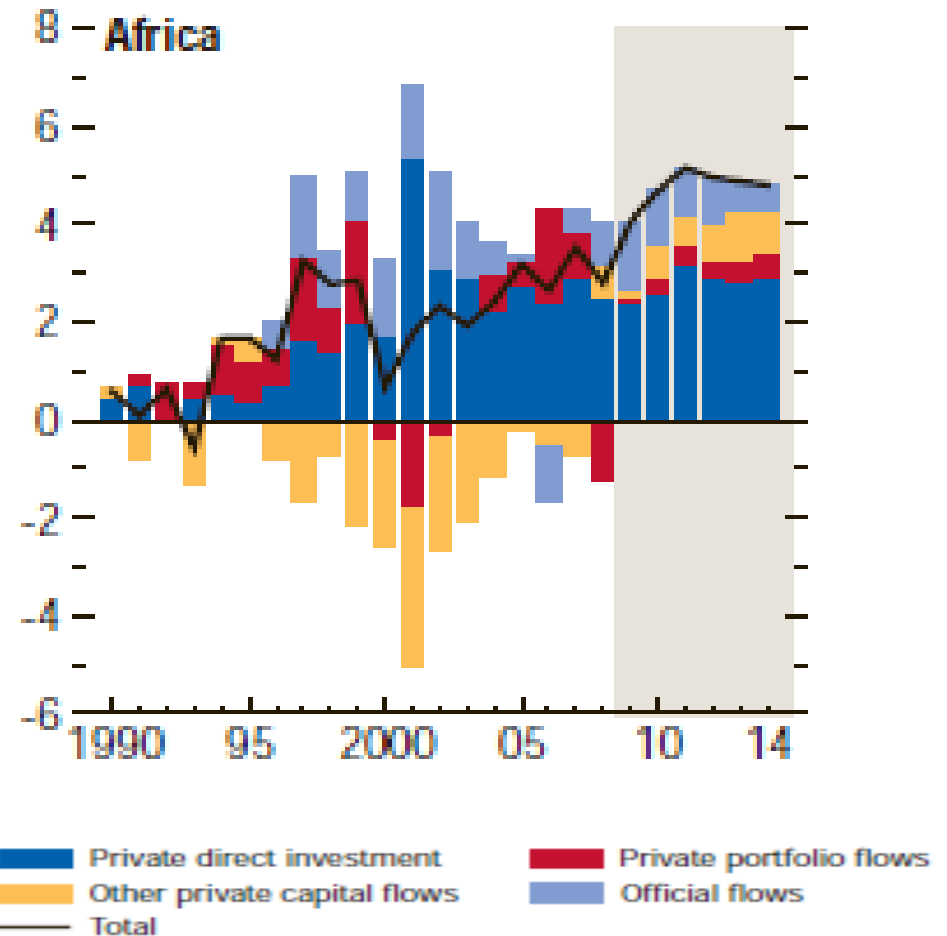


Figure 1.13. Net Capital Flows to Emerging and Developing Economies
(Percent of GDP)

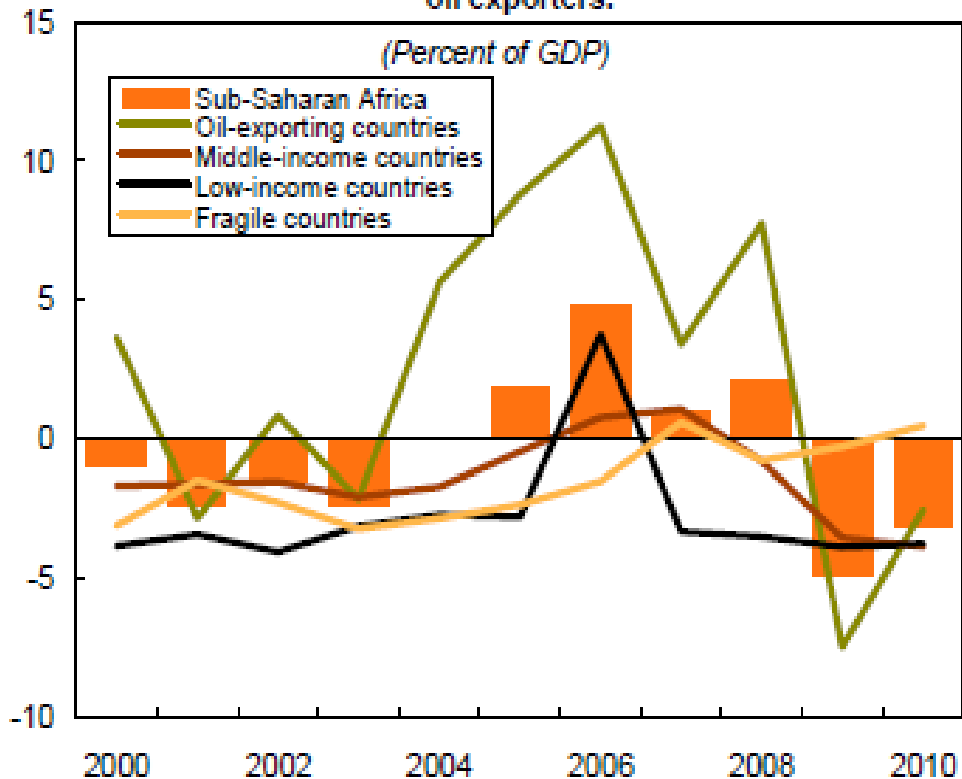


- FDI: back to 2006 level
- Aid: projected to increase
- 2009 Portfolio investment: return to positive

4. Fiscal and External Balance

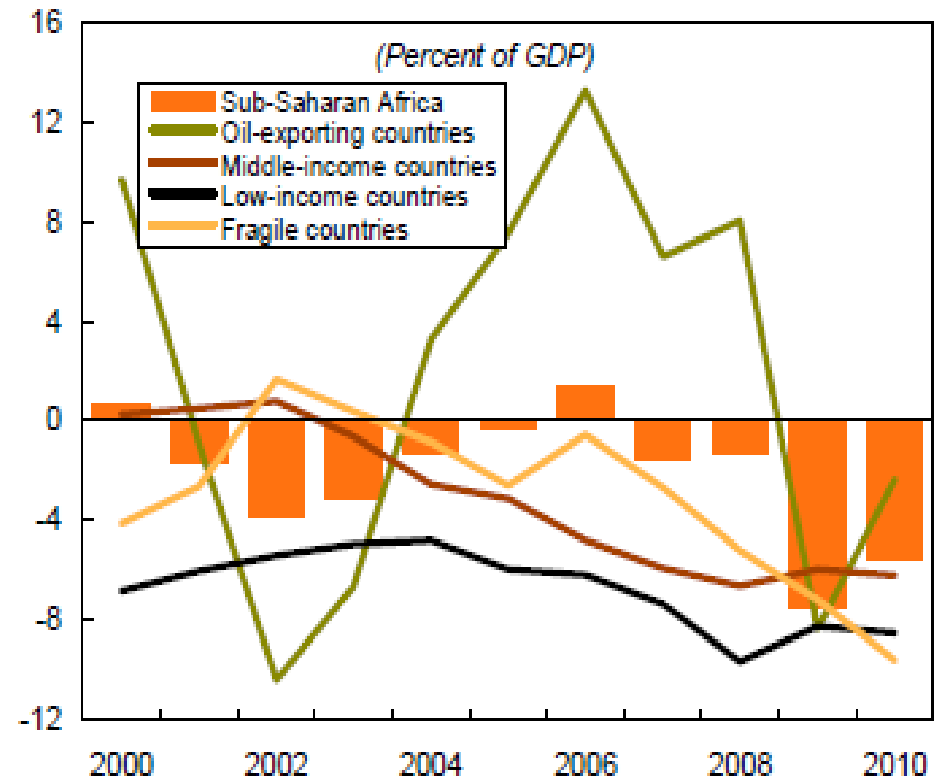
Central Government Overall Fiscal Balances

Fiscal balances in the region will deteriorate, particularly among oil exporters.



External Current Account Balances

External positions are also expected to weaken.

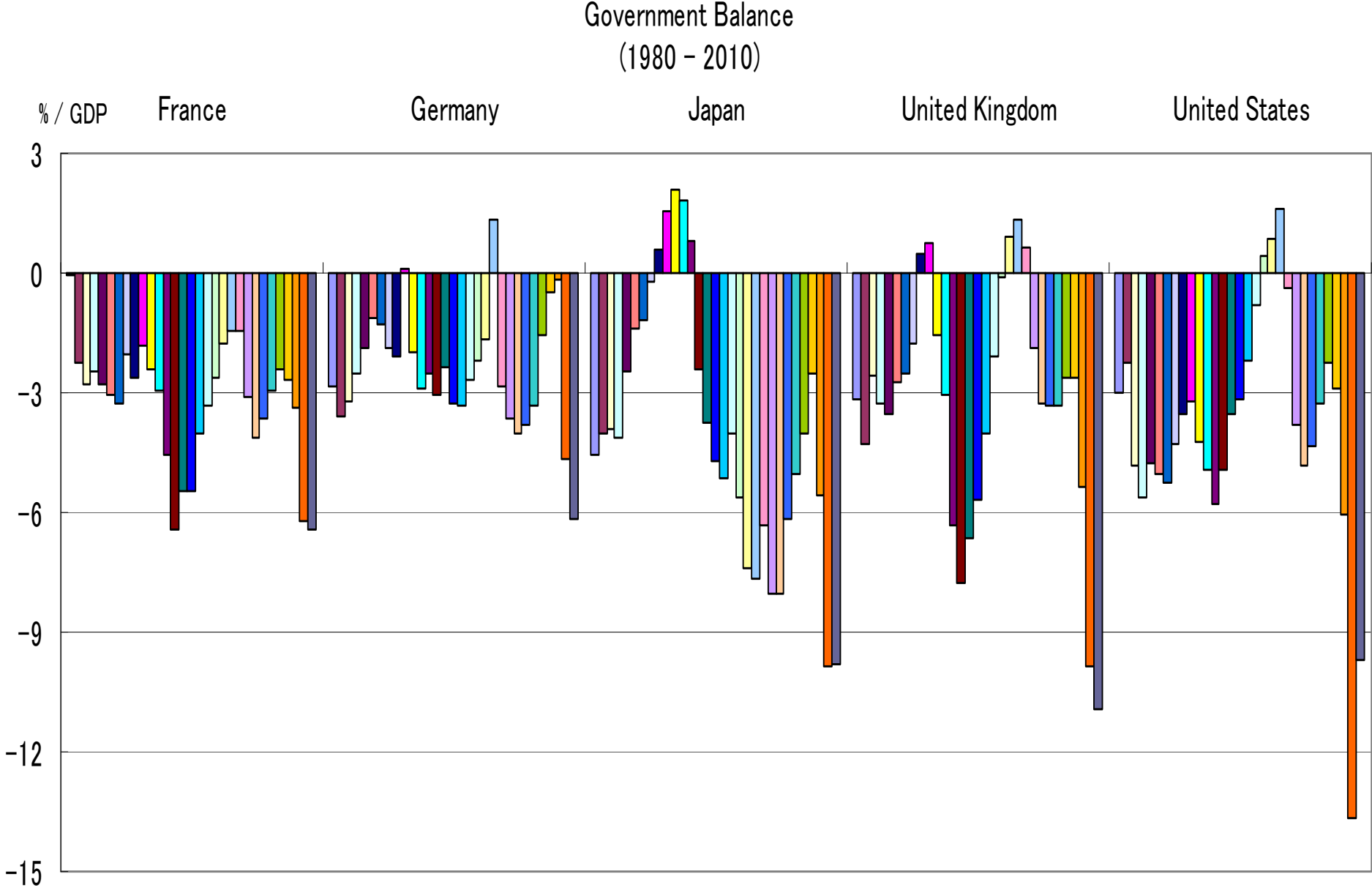


2 critical elements (budget and current account) :

Oil exporting countries being badly affected

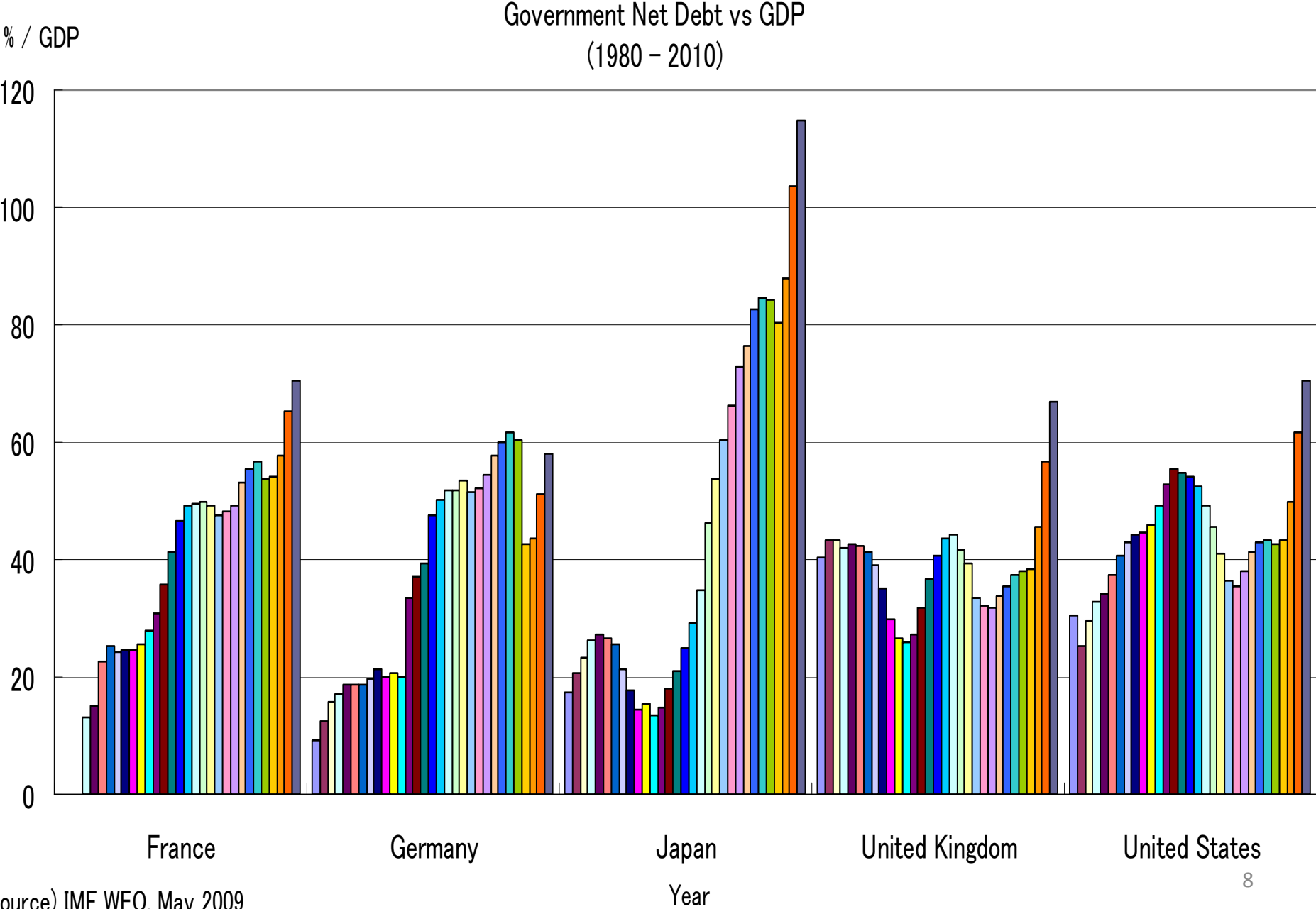
	'09	'10
SSA	-8.6%	-8.4%
Africa	-5.3%	-5.4%

5. Fiscal Balance of major OECD countries



(source) IMF WEO, May 2009

6. Government debt accumulation by major OECD countries



(source) IMF WEO, May 2009

B. On Japanese private sector investments

- There are already investments made by Japanese companies, those investments having made economic sense to the investors
- More investments may require gaining familiarity and encouragements
 - Institutional framework
 - JBIC and NEXI
 - JBIC concluding MoU with AfDB covering various areas
 - Information
 - a Japanese Ambassador's initiative
 - ADC's initiative
 - dissemination by emails
 - pulling and pushing
 - BoP Market
 - Renewable Energy Development

C. On some specific areas for cooperation

(1) Power Sector

- Regional projects
- Domestic projects

(2) Financial Sector

- for contribution to local business and economic development
- short term lending
 - => longer term loans
with long term funding