

Statement by Aso Taro
Deputy Prime Minister and AfDB Governor of Japan
At the Fifty-Sixth Annual Meeting of the African Development Bank and
the Forty-Seventh Annual Meeting of the African Development Fund

June 22, 2021

1. Introduction

Mr. Chairperson of the Board of Governors, Mr. President, Governors, Ladies and Gentlemen.

I am honored to address the Annual Meetings of the African Development Bank and the African Development Fund.

2. The efforts to achieve resilient and sustainable growth

The ongoing spread of COVID-19 in Africa remains a serious concern. I highly appreciate the swift support provided by the Bank in response to the COVID-19 crisis, under the leadership of President Adesina.

The crisis has highlighted Africa's structural challenges and vulnerabilities such as poverty and debt accumulation. As the development bank of the region, the Bank is expected to provide support to deal with structural challenges and vulnerabilities. In light of the difficult fiscal situation of shareholders, the Bank should effectively use its available resources to take such a role. Japan expects the Bank to work on the following three points included in the priority areas of GCI-7 and AfDF-15.

First, debt transparency and sustainability. Full, transparent and swift implementation of the G20 and Paris Club's "Common Framework" is critical. Debt issues in Africa cannot be solved unless all creditors participate in debt treatments without delay. To prevent another debt crisis, transparency and accuracy of debt data must be secured in normal times. Japan urges all official creditors as well as debtors to cooperate in regular debt data reconciliation. Inappropriate use of confidentiality clauses in loan contracts or clauses that inhibit debt treatments under the Paris Club would hamper development of Africa. The Bank should build African countries' capacity in debt management, including addressing such contractual practices.

Second, climate change and natural disasters. Since Africa is prone to natural disasters, support for adaptation is particularly important. Japan also expects the Bank to support low-carbon growth including through transitional sources of energy, taking into account national circumstances. Such support could encompass mobilizing private finance as well as capacity building.

Third, Quality Infrastructure Investment. To achieve sustainable growth in the post-pandemic period, Japan calls on the Bank to provide support for infrastructure investment, including digital and green, based on the G20 QII Principles, such as safety including cybersecurity, as well as openness and governance.

Enhanced governance is the precondition for the Bank to provide all such support as a transparent and trusted international organization. Japan looks forward to the report of the Ad Hoc Committee on governance reform.

3. Japan's Cooperation with AfDB

The Bank has been a long-standing partner of Japan in supporting Africa. This February, Japan provided about US\$700 million to AfDF-15 in yen loan. Japan will further strengthen its support for the business environment and health sectors through EPSA, the co-financing framework between JICA and the Bank. Japan will also provide support for nutrition, looking ahead to the Tokyo Nutrition for Growth Summit in December.

As for business cooperation, Japan expects the External Representation Office for Asia to continue to play an important role, including through the 3rd Japan-Africa Business Forum.

4. Closing

I expect that the next Annual Meetings will be held face-to-face in Accra, Ghana.

Thank you.