

Japan's Country Assistance Policy to Namibia

1. Significance of assistance

The Republic of Namibia, endowed with rich natural resources such as uranium, diamonds and natural gas, prominent fishing grounds and suitable weather conditions for live-stock farming, has a high potential among the Sub-Saharan African countries. Since the country became independent from South Africa in 1990, it has consistently upheld a democratic political system and has made steady progress in building an economic system based on the freedom. Namibia's average economic growth rate since 2001 has exceeded 4.5 %. It is classified as a upper-middle income country (World Bank, 2011) with a GDP of US\$ 12.2 billion and GNI per person of US\$ 4,650.

In terms of foreign policy, the Republic of Namibia aims at strengthening relations with the developed countries while attaching importance to cooperation with the United Nations, the African Union (AU) and the Southern Africa Development Community (SADC).¹ In October 2010, it established its Embassy in Japan and the number of Japanese companies operating in Namibia the third largest among the SADC countries following South Africa and Tanzania.² In particular, Japanese companies are involved in natural gas and uranium development, and deep sea trawling fishing. Thus, the strengthening of relations with the country through economic cooperation is significant also for supporting the activities of such Japanese companies and for Japan's energy and food security.

On the other hand, Namibia faces challenges such as the persistent wide economic disparity (Gini coefficient is 0.58) and the existence of a large poor population mainly in the rural areas. While the Government of Namibia has established local branches and developed small scale infrastructure, rural development has not progressed sufficiently due reasons such as lack of administrative capacity, frequent floods and droughts. Due to such a situation, income of particularly those in the northern part of Namibia is low and thus, creation of livelihoods, improvement of fundamental living conditions and human resource development for economic growth are urgently needed. Supporting Namibia's efforts to address such challenges is important from the viewpoint of human security, reduction of poverty and sustainable growth, which are principles promoted by Japan's ODA Charter and the TICAD

¹ SADC is a regional economic community with the aim of promoting economic growth and poverty reduction, regional integration, peace and security, self sustaining progress, coordination of national and regional strategies/plans, protection and effective utilization of resources in the region, strengthening historical, social and cultural links within the region, etc. 15 southern African countries (Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar (suspended member due to its domestic situation), Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe) are members.

² The number of Japanese companies in Namibia was 11 in 2011.

process.³

2. Basic Policy of Assistance:

Realizing sustainable development and addressing economic disparity

Based on the statement of the former President Sam Nujoma in 1998, the Government of the Republic of Namibia formulated the Vision 2030; a policy framework for long-term national development which describes the main challenges and actions in eight areas in 2004. The Fourth National Development Plan (NPD4) adopted three overarching goals; high and sustained economic growth, employment creation and increased income equality. Bearing in mind the NPD4, Japan will aim at realizing sustainable development and addressing economic disparity in Namibia through the provision of assistance for the creation of a means of living, the improvement of basic living standards in rural areas, as well as, the acceleration of economic growth through economic and industrial infrastructure development.

3. Priority areas

(1) Contribution to improvement of living standards and reduction of poverty in rural areas

Japan will support human resource development related to the policy through the effective and efficient implementation of the “One Region One Initiative” Program and the support of agricultural development promoted by the government of Namibia, in order to improve the situation of poverty and low income among the poor populations in the Northern Region. More specifically, the government of Japan will continue to implement scientific technical cooperation to develop mode of agriculture suitable to local conditions in which drought and floods occur frequently. Based on the results of this cooperation, a proposal will be made regarding agricultural development strategies that are resilient to the effects of climate change. Japan will aim at improving the basic standard of living and redressing income disparity through the improvement of social services in education and health.

(2) Economic and industrial infrastructure development

In order to accelerate economic growth, it is necessary for Namibia to address its lack of infrastructure which acts as a bottleneck to economic growth through *inter alia* appropriate budget allocation and to endeavor to incorporate economic growth of other countries in southern Africa. For this purpose, Japan will provide assistance relating to regional infrastructure development, development of relevant systems and human resource development, mainly through technical cooperation and focusing on areas which will benefit from Japan’s technology taking into consideration the effective utilization of yen loans.

³ TICAD (Tokyo International Conference on African Development) is an international conference which discusses African Development. Since 1993, the Government of Japan has convened the conference in cooperation with the United Nations, the United Nations Development Plan (UNDP) and the World Bank. The summit meetings are held every five years while meeting at the ministerial and other level are also held.

Furthermore, Japan will support human resource development in industries which are essential as the basis of economic growth.

The attached sheet: Development Assistant Plan in the Republic of Namibia