

# **Joint Declaration of the Korea - Africa Economic Cooperation**

## **“RISING AFRICA, TOGETHER WITH KOREA”**

### **PREAMBLE**

The 2010 Korea-Africa Economic Cooperation (hereinafter the "KOAFEC") was held in Seoul on September 15, 2010, attended by Ministers from the African countries and President of the African Development Bank (hereinafter the “African representatives”) and Minister of Strategy and Finance of Korea (hereinafter known as the “Korean side”).

The African representatives and the Korean side (collectively referred to as “Both sides”) assessed that following two rounds of the Ministerial Conference since its foundation in April 2006, KOAFEC has made substantial progress in promoting economic cooperation between Korea and Africa. Progress has been also made in supporting Africa's economic growth in infrastructure, IT, human resource development, development experience sharing, rural development, and green growth.

Both sides agreed to develop further close cooperative ties between Korea and Africa to promote good relations and economic development. The pillars of the cooperation focused on the following key themes, which are elaborated in the rest of this Declaration:

### **I. KOREA-AFRICA ECONOMIC COOPERATION PARTNERSHIP : Promoting Co-Prosperity in Korea and Africa**

1. The Korean side stressed Africa’s major role in building global prosperity and its potential as a key driver of global economic growth, underpinned by recent economic and political advances achieved on the continent.
2. Both sides agreed that Africa plays a pivotal role in the global economic cooperation, and needs to overcome impediments to achieving strong, sustainable and shared growth in order to realize its development potential.
3. The Korean side agreed to continue pursuing long-term economic cooperation with Africa, in order to support the continent’s efforts to reduce poverty and promote sustainable economic growth. In particular, it agreed to help Africa meet various challenges, including lack of infrastructure. Korea will assist African countries in their autonomous development efforts, and will promote South-South cooperation in order to build a comprehensive and long-term partnership based on mutual trust. It will share with Africa its development experience, notably its transformation from the status of aid recipient to that of donor country in less than half a century.

4. Acknowledging the importance of the expansion of trade and investment to spur mutual growth in Korea and Africa, both sides agreed to increase the exchange of information at governmental level to foster a better understanding of trade issues and investment opportunities. The Korean side agreed to assist in the establishment and operation of public institutions for trade and investment promotion in Africa to facilitate private sector trade and investment.

5. The African representatives welcomed Korea's leadership as chair of the 2010 G20 Summit. They requested Korea to build a global partnership between advanced countries, international organizations, and Africa to tackle the long-term challenges for African economic development including industrialization, agricultural productivity growth, capacity enhancement in private sector and regional integration in Africa. They also asked for assistance in establishing Africa's vision for Africa as a new source of global economic growth.

## **II. KNOWLEDGE SHARING ON KOREA'S ECONOMIC DEVELOPMENT EXPERIENCE**

### **: Sharing Korea's policy experience, meeting Africa's demand for economic cooperation**

6. The Korean side agreed to share their developmental experiences and expertise with African countries, to encompass a number of areas, including: economic development policy, industrial diversification, human resources development, agricultural & rural development, small and medium-sized enterprises (SMEs) promotion, information and communications technology (ICT), science technology advancement and export promotion policy. The Korean side will help to enhance the capacity of Africa's public and private sectors by strengthening and promoting public-private partnerships (PPPs).

7. The Korean side agreed to expand tailor-made projects of Knowledge Sharing Program (KSP) in 12 African countries by 2012 to share Korean development experience adapted to African local environments. Concrete economic cooperation projects explored via KSP will be closely linked to and financed by Korea's Official Development Assistance (ODA) and trade financing from Korea Export-Import Bank and Korea Trade Insurance Corporation.

8. The Korean side agreed to develop a joint program for sharing economic development experience with the African Development Bank (AfDB), which has earned a reputation as Africa's premier knowledge bank. The Korean side will also collaborate closely with the AfDB for joint funding of knowledge management initiatives and to co-finance a conference on knowledge sharing.

## **III. KEY AREAS OF COOPERATION**

## **【Cooperation in the field of Africa's Industrialization】**

### **A. Cooperation in Infrastructure Development**

#### **: Establishing platform to stimulate regional economy through the expansion of infrastructure**

9. Acknowledging that inadequate infrastructure in the subsectors of roads, railroads, ports, energy, and water & sanitation facilities represents the biggest impediment to Africa's economic growth, the Korean side agreed to double the Economic Development Cooperation Fund (EDCF) flow to Africa by 2012 compared to 2009. It will actively support Africa's infrastructure development projects through renewed cooperation with the AfDB, in order to lay the foundations for sustainable economic growth and private investment in the continent.

10. Aiming to achieve regional integration, another core condition for economic growth in Africa, the Korean side agreed to conduct joint-research with the AfDB and to support projects related to establishing cross-border infrastructure, including power grids and transport networks such as roads and railroads.

11. In order to narrow the "Digital Divide" in Africa, the Korean side agreed to fully assist Africa in building ICT infrastructure, such as local information access centers. It also agreed to help in the formulation of national ICT infrastructure development plans and information systems by conducting joint missions with the AfDB, dispatching Korean ICT experts to Africa, and by inviting African experts to Korea for training and knowledge sharing.

12. Respecting the principle of each African country exerting sovereignty over its own natural resources, the Korean side agreed to provide skills, infrastructure and industrial facilities to help African countries develop their natural resources to enhance their value-added and spur sustainable economic growth. The Korean side also agreed to help African countries ensure equitable market access.

13. The Korean side agreed to support African countries that have expressed a special interest in Korea's New Town Development Model to design their own New Town Master Plan to improve residential environments. *Korea's New Town Development Model*. The Model will be adjusted to reflect African countries' specificities.

14. The Korean side agreed to promote the capacity of public-private partnerships (PPPs) in Africa, in view of their vital role in expanding infrastructure across the region and in building a platform for strong, sustained, and shared economic growth. The Korean side agreed to increase their financing to this area, notably through EDCF to Special Purpose Companies (SPCs) via a government credit guarantee on the part of a developing country, or via subsidies or public funding for PPPs through EDCF.

## **【 Cooperation in the Field of Internal Capacity Enhancement 】**

## **B. Cooperation in Human Resource Development : Enhancing Capacity for Greater Economic Development**

15 Both sides reaffirmed the importance of cultivating Africa's human resources to achieve self-reliant economic growth and increased soft power. The Korean side will help Africa devise strategy for human resource development and nurture next generation leaders through the Next African Leader Program.

16 The Korean side agreed to establish Vocational Education and Training centers for cultivating local technicians in Africa, to increase the number of Korean vocational training experts dispatched to Africa, and to expand educational programs for African technicians in Korea.

17 The Korean side agreed to lay the foundation for nurturing highly skilled human resources in Africa by increased knowledge sharing with Korea's higher education (HE) institutions through the establishment of Korea–Africa Knowledge Transfer Centers across the continent.

18 The Korean side agreed to cooperate in projects to increase marginalized groups' access to education in Africa, including illiteracy eradication, by expanding primary education. It also agreed to promote gender equality by supporting projects that improve women's access to education.

## **【 Cooperation in the Field of Private Sector Development 】**

### **C. Cooperation in Agriculture and Rural Development : Increasing agricultural productivity as a means to fight poverty**

19 The Korean side agreed to fully cooperate in the Comprehensive Africa Agricultural Development Program (CAADP), established by the African Union's New Partnership for Africa's Development (NEPAD) in 2003. The Program aims at reaching an agriculture growth rate of 6 percent a year, securing 10 percent of national budgets for agriculture, and increasing agricultural research in order to disseminate appropriate new technologies.

20 The Korean side agreed to share experience on Korean rural development models such as Saemaul-undong that is founded on the principles of diligence, self-help and cooperation, and to help African countries design and implement master plans for agriculture and rural development that fit their needs.

21 Aiming to increase agricultural productivity of Africa, the Korean side agreed to promote joint development and technology cooperation for African agricultural resources through Korea Project on International Agriculture (KOPIA) centers in Africa and Korea-Africa Food and Agriculture Cooperation Initiative (KAFACI). The Korean side will support establishing agricultural infrastructure including irrigation facility modernization, rural road construction, arable land adjustment by expanding ODA.

22 The Korean side agreed to enhance value-added of African agricultural products that may lead to higher income for farmers through cooperation in the establishment of Multi-Industry Clusters (MICs) in Africa, which link farmers' sites to potential industries, encompassing storage, processing and distribution of agricultural products.

**D. Cooperation in Small and Medium-sized enterprises (SMEs)  
: Strengthening Africa's private sector to create new jobs**

23 Noting that nurturing SMEs are critical in Africa's private sector-led economic development, both sides agreed to promote projects to foster SMEs in Africa by stimulating cooperation between Korean and African SMEs.

24 The Korean side agreed to dispatch policy consultants on SMEs to Africa and to regularly invite Africans to Korea for training in order to help African countries devise SMEs policies suitable for their business environment.

25 The Korean side agreed to open Korea–Africa SME centers in Africa. These will provide relevant information and technology sharing, while also providing a forum for exploring potential SME cooperation projects.

**【 Cooperation in Sustainable Growth and Quality of Life Improvement 】**

**E. Cooperation in Green Growth  
: Sustainable development, balancing economic growth and environmental protection**

26 Recognizing that Africa is exposed to threats of conflict stemmed from food shortage and climate refugees affected by climate change-driven disasters, both sides agreed to reinforce cooperation to find adequate response measures to climate change in Africa.

27 Both sides agreed to hold Korea-Africa Climate Change Forum for global policy coordination. The Korean side agreed to assist African countries establishing climate change early warning systems and utilization systems of applied meteorology such as agricultural and public health meteorology.

28 The Korean side agreed to share their experiences on green growth (environmentally sustainable, low-carbon economic development) with African countries, in partnership with the Global Green Growth Institute, and to help them map out a “green growth path” in line with their socioeconomic environment.

29 Both sides agreed to found Korea-Africa Green Partnership Program which includes training for Africans to support capacity development for environmental management and green growth of African countries.

30 Acknowledging the need to exploit various sources of renewable energy in Africa, both sides agreed to fully cooperate in infrastructure building for renewable energy

such as solar power plants and water resources development.

31 The Korean side agreed to help create wind and solar photovoltaic resource maps of Africa and to build Green Villages in Africa, small community towns with self-sufficient power supplies using renewable energy sources including solar heating, solar photovoltaic, hydro, wind and geothermal power, mainly in areas that are unable to build large-scale power plants.

32 Noting that the lack of water supply and sewage, waste treatment and other hygiene facilities leads to the spread of diseases and increased mortality in Africa, the Korean side agreed to fully cooperate in establishing environmental improvement strategies of African countries such as Water Management Master Plan.

33 Aiming to address water shortages in areas suffering from frequent droughts and lack of water supply, the Korean side agreed to help expand small-scale water supply facilities in African villages.

#### **IV. COOPERATION AT G20 Level**

**: Requesting the G20 for cooperation and support to boost African Development.**

34 Both sides agreed to seek cooperation and assistance at the G20 level in the fields essential to Africa's development such as infrastructure, human resources, financial access, development experience sharing and institutional improvement.

35 Acknowledging that Africa's economic development is requisite in maintaining strong and sustainable growth in the global economy, both sides agreed to amplify Africa's voice in the G20 Summit in close cooperation among African countries, the AfDB, C-10 and the Korean government.

36 Welcoming Africa's position paper prepared by the Working Group composed of working-level officers of the AfDB, C-10, Africa Union (AU), United Nations Economic Commission for Africa (UNECA), Presidential Committee for the G20 Summit, Korea Institute for International Economic Policy (KIEP) and the Korean Ministry of Strategy and Finance, both sides agreed to exert efforts to reflect the arguments of the paper in the G20 Seoul Summit to be held in November, 2010.

#### **V. THE WAY FORWARD**

**: For an expanded platform for economic cooperation and friendship between Korea and Africa**

37 The African representatives conveyed gratitude to the people and the government of Korea for the warm welcome and friendship, and showed deep appreciation for the success of the 2010 KOAFEC. They thanked Korea for showing a profound interest in Africa's economic growth and development cooperation, and reiterated KOAFEC as

an important channel for deepening mutual understanding and friendly relations while reaffirming their commitment to expand the scope of economic cooperation.

38 The Korean side reiterated its long-standing commitment to Africa's development. It reaffirmed that the cooperation through KOA-FEC has been helping Africa reach its full economic potential and paving the way for mutually beneficial economic cooperation in investment, trade and other areas.

39 Both sides adopted 'Joint Declaration of KOA-FEC 2010' and its Annex, 'Action Plan 2011/12' and pledged to work in close partnership for the successful implementation of the projects specified in the 'Action Plan 2011/12'.

40 Both sides agreed to hold the annual meeting of KOA-FEC Consultative Group in 2011 to take stock of progress on the 'Action Plan 2011/12' and to hold the next KOA-FEC Ministerial Conference in 2012.