



GRIPS-JICA Seminar

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27 November 2008



- Partners in development
- Two possible futures for our work in Africa
- Implications for our programmes
- Coda: the three Challenges for our Institutes

Learning from Japan



Human security

Private Sector

Growth

Infrastructure

Cool earth

Vibrant Africa



HOT GRIPS®



GRIPS
Development Policy Report

**Diversity and Complementarity
in Development Aid**
Fair Aid? Lessons for African Growth

Published by the Overseas Development Institute

Two possible futures: both very different





Facing the current crisis

	Projections		Difference from WEO of October	
	2008	2009	2008	2009
World output	3.7	2.2	-0.2	-0.8
Advanced	1.4	-0.3	-0.1	-0.8
Sub Saharan	5.4	5	-0.7	-1.3
Developing Asia	8.3	7.1	-1	-0.6
China	9.7	8.5	-0.1	-0.8
India	7.8	6.3	-0.1	-0.6
WHemisphere	4.5	2.5	-1	-0.7

Transmission belts:

Price and quantity of exports

FDI

Portfolio flows

Remittances

Aid?



What is our 'narrative'?

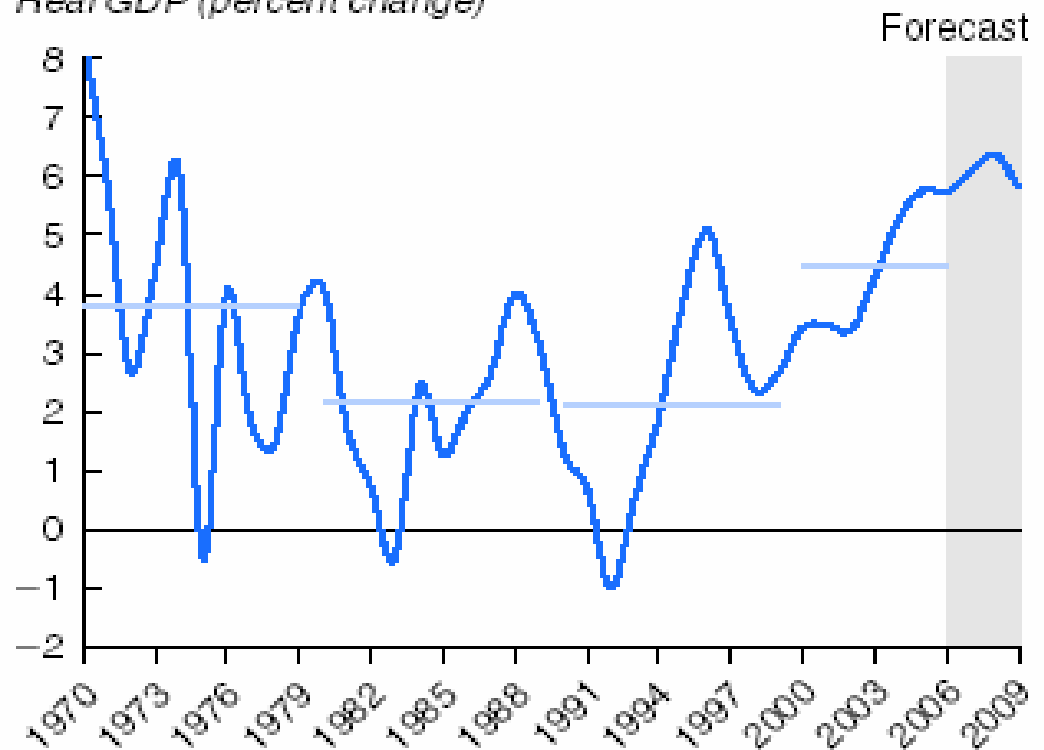
- Recognise risks and vulnerabilities
- A principled response
- Make the case for development
- Micro and macro instruments
- A holistic response
- The importance of collective action

Two possible futures: both very different



Figure A21 Growth in Sub-Saharan Africa has accelerated markedly...

Real GDP (percent change)



Source: World Bank.



The rise of middle income countries

With per capita growth at 3% p.a.:

- India is a MIC by 2010
- Senegal by 2010
- Pakistan by 2013

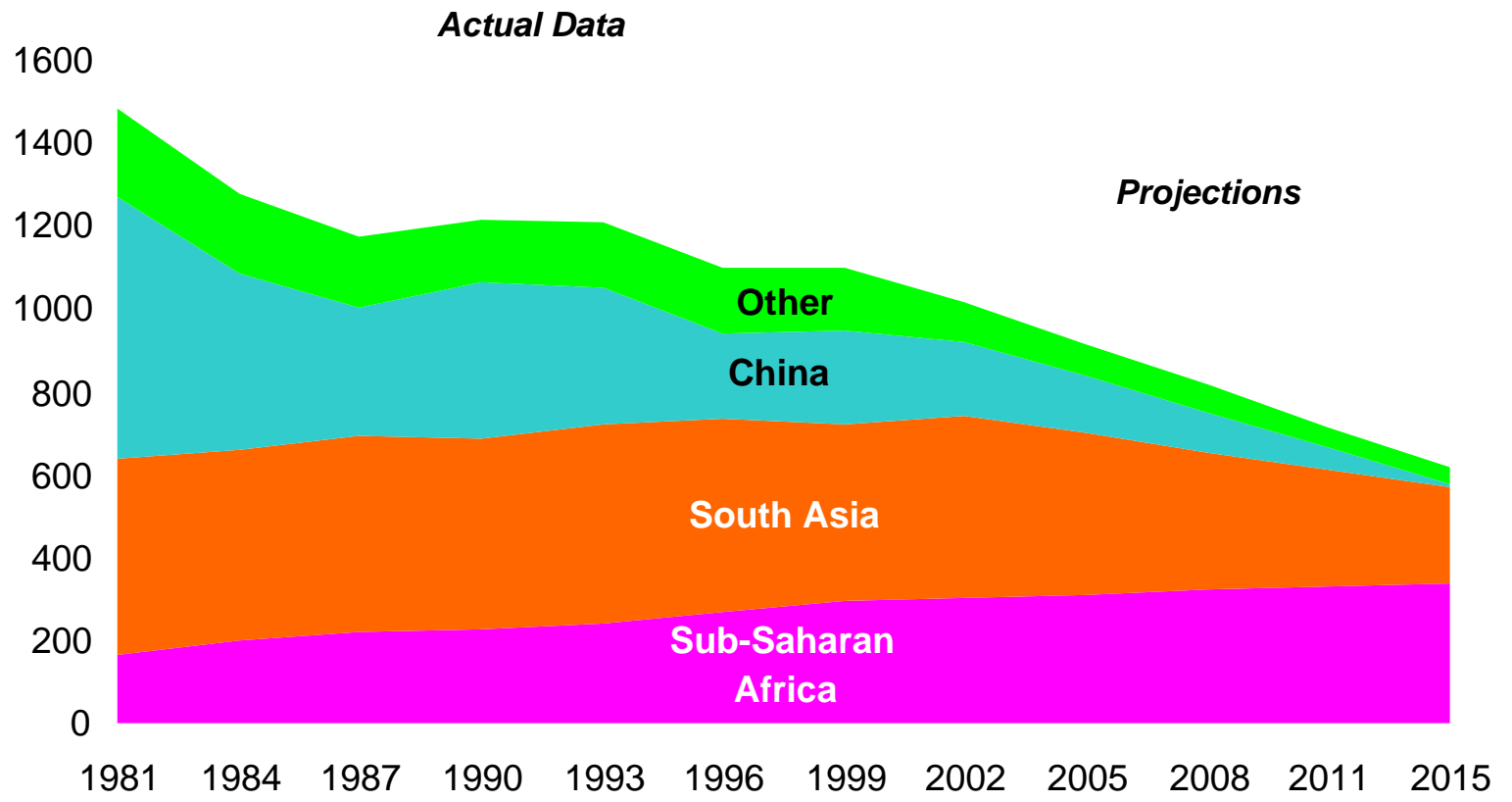
With per capita growth at 5% p.a.:

- India is a MIC by 2008
- Pakistan and Senegal by 2009
- Bangladesh by 2017
- Uganda by 2028

N.B. Low income = per capita income <\$ US 825 p.a. (2004)

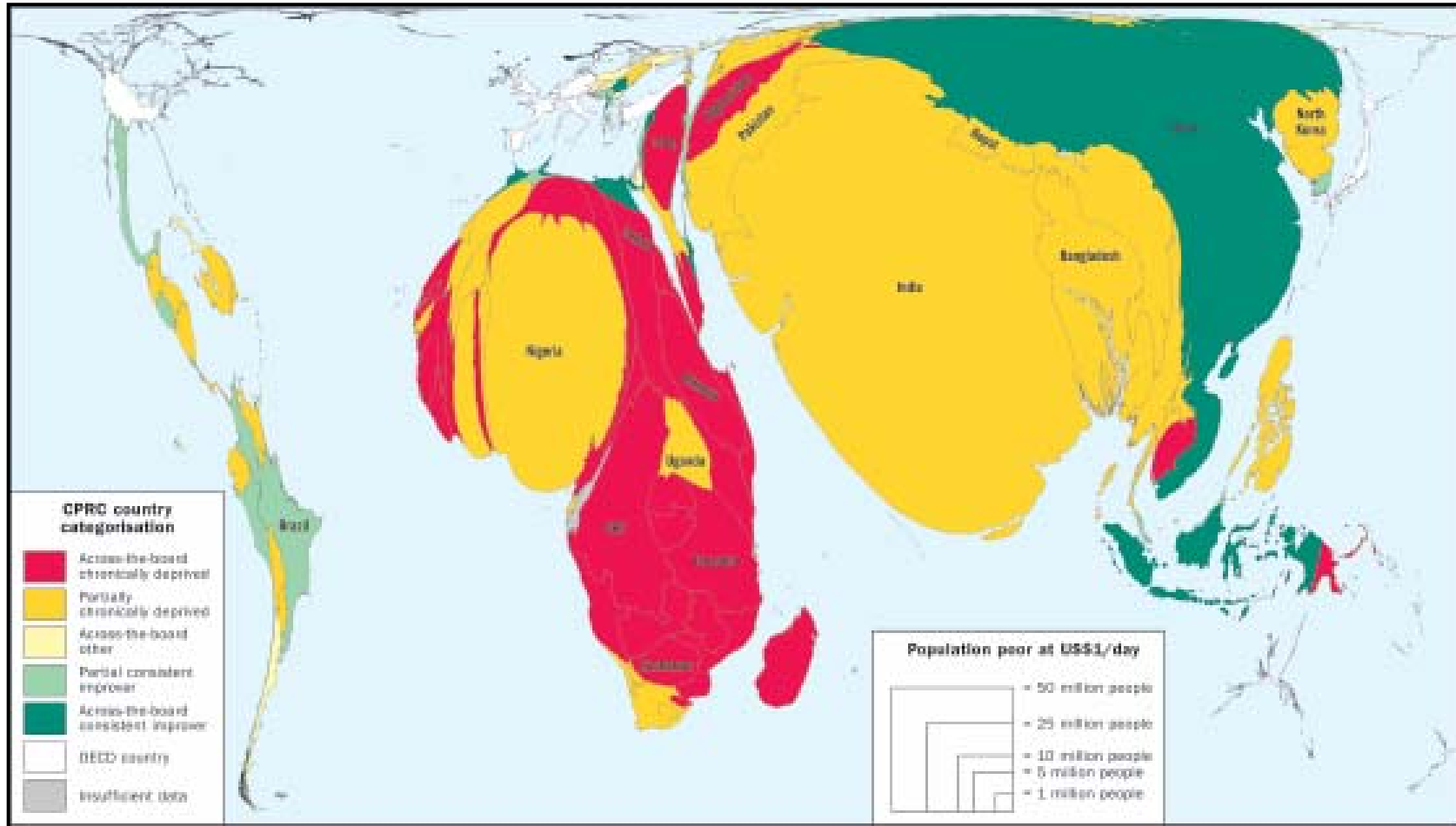


Poverty projections to 2015



Source: DFID

Chronic Poverty in the world

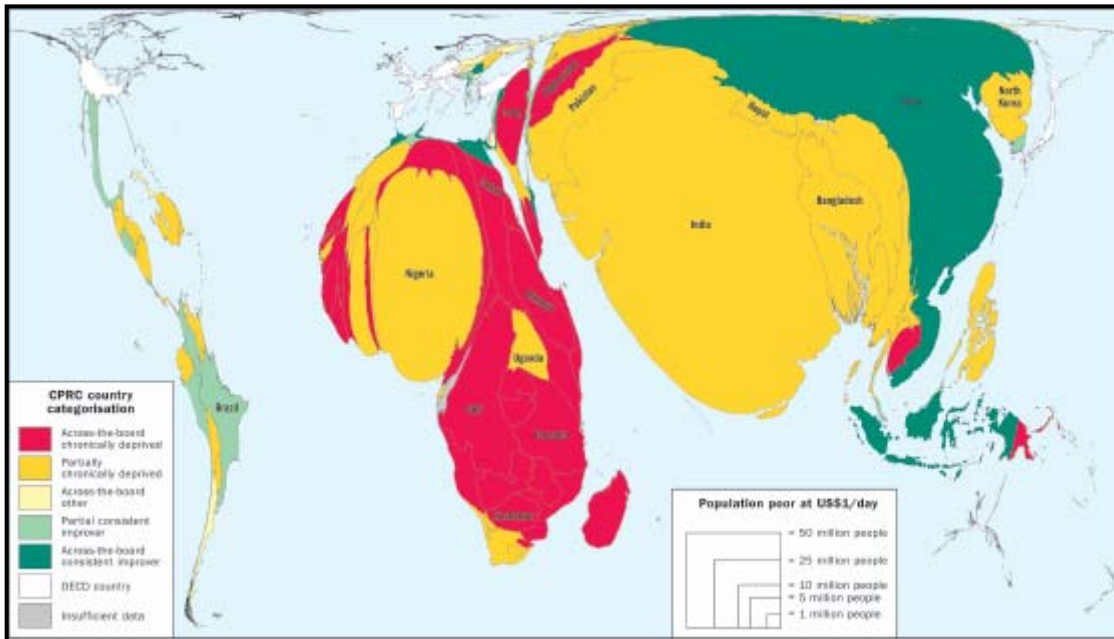


The 20% Club and the 0.2% Club

By 2015:

No of IDA eligible countries down from 49 to 38

No of people in those countries down from 2.5 bn to 1.1 bn

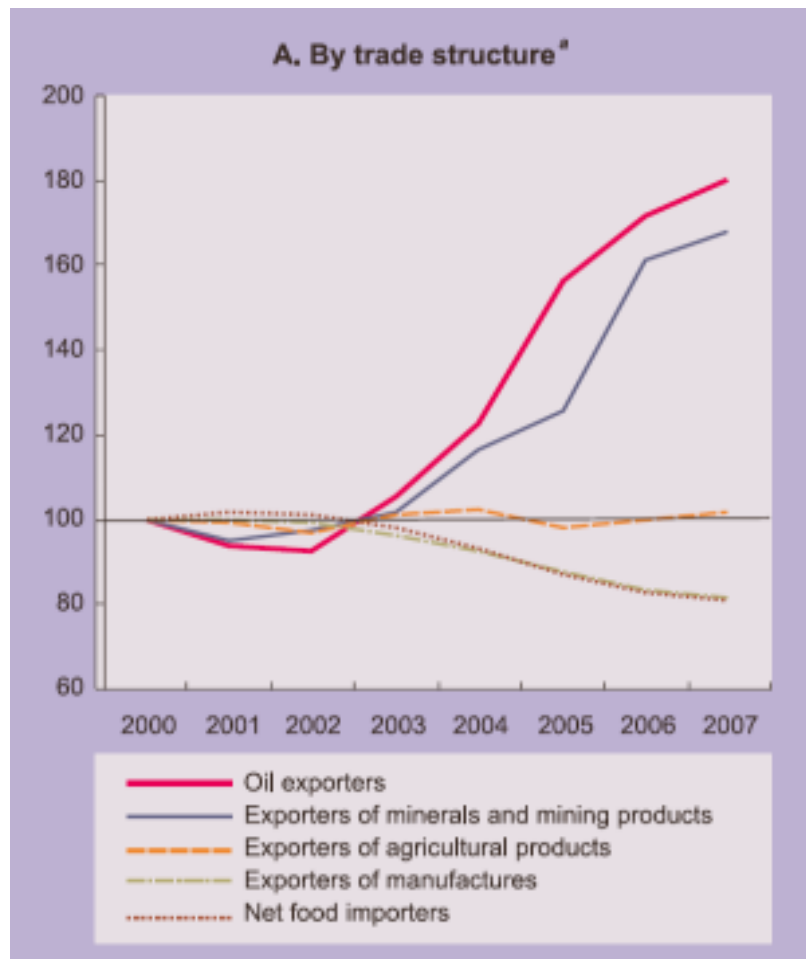






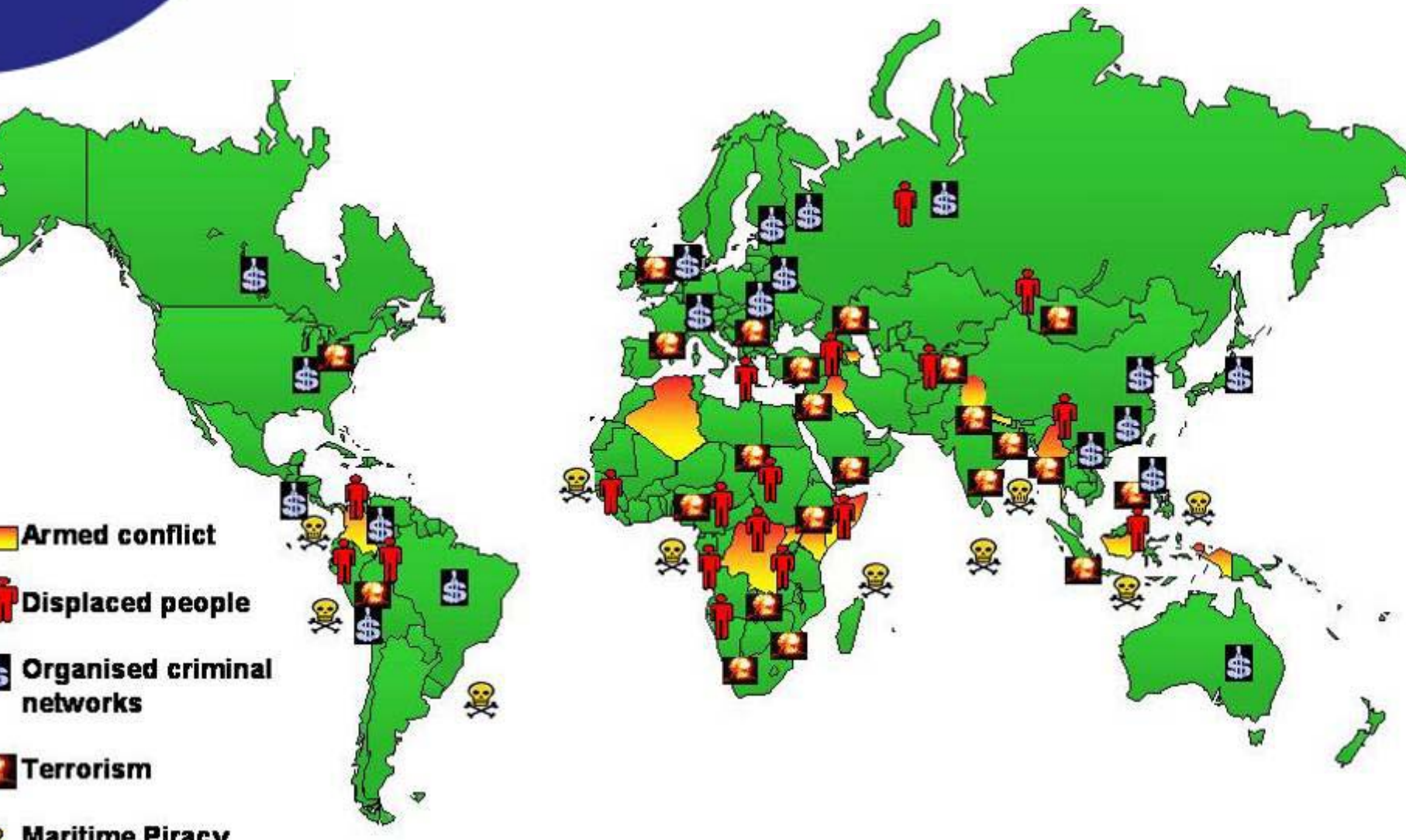
Three elephant issues

- **China and the analytics of globalisation**
- **Security and development**
- **The shift from national development to global public goods**

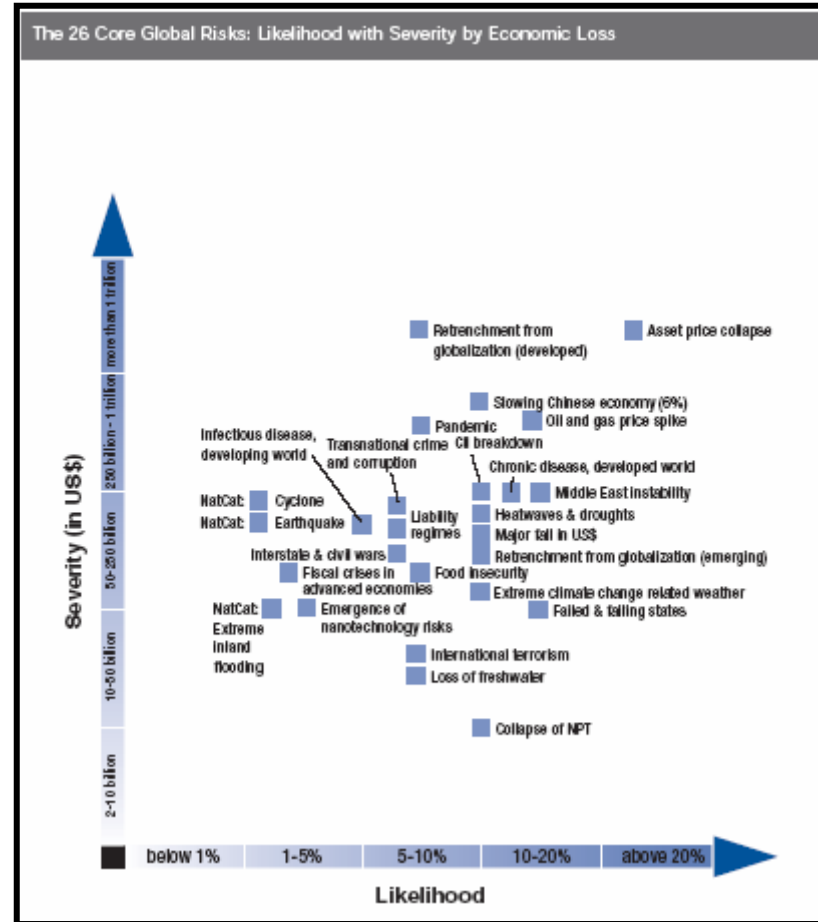
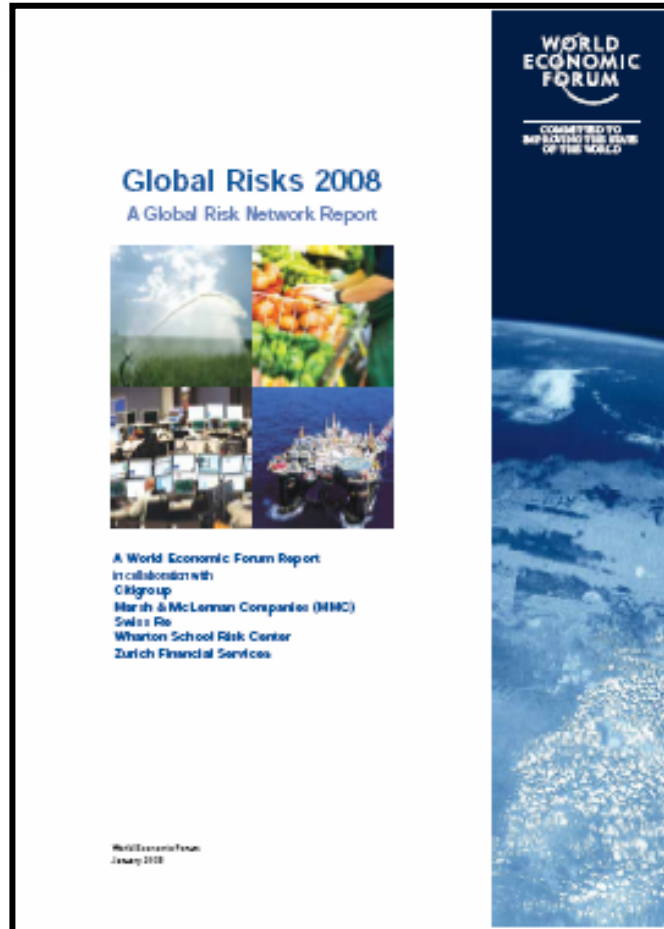


Net barter terms of trade, selected countries, 2000–2007

Connecting development and foreign policy



A wider perspective on development cooperation



Using aid differently

- From:



- To:





Implications

- Messaging
- Spending
- Institutions



Messaging

- Recognise risks and vulnerabilities
- A principled response
- Make the case for development
- Micro and macro instruments
- A holistic response
- The importance of collective action

Content

- Better instruments
- Better geographies





Coda: the three Cs

- Coverage
- Capacities
- Communications

