

## **2012 KOAFEC Ministerial Conference Joint Declaration**

The Minister of Strategy and Finance of the Republic of Korea and Representatives from African countries, including Ministers and the President of the African Development Bank, met in Seoul from October 15-18, 2012, for the 4<sup>th</sup> Korea-Africa Economic Cooperation Ministerial Conference (“KOAFEC Ministerial Conference”). The Conference was co-organized by the Ministry of Strategy and Finance, Korea Eximbank and the African Development Bank.

Representatives from both parties (“the parties”) agreed that since its inception in 2006, the KOAFEC Ministerial Conference has fostered positive outcomes based on a wide spectrum of economic cooperation projects between Korea and Africa, thereby strengthening mutual economic ties.

Under the theme of *inclusive growth*, the parties exchanged views and set forth insightful recommendations for Africa’s economic transformation. On future ties, the parties also agreed on a set of actions, based on 6 priority areas, to strengthen the framework for enhanced Korea-Africa cooperation, as follows.

### **I. Inclusive Growth**

1. The parties recognized Africa’s robust growth in the context of current global economic slowdown. The parties agreed that income inequalities and relative deprivation, resulting from an uneven distribution of economic opportunities and benefits, continue to undermine potential economic growth around the world, by hindering social integration, compounding instability thus undermining countries’ efforts to integrate into the global economy.
2. Further, the parties concluded that there is an urgent need to address the policy environment for the implementation of inclusive growth strategies by addressing the institutional environment and governance issues, in collaboration with the private sector.
3. To this end, both parties recognized the need for targeted policy efforts on inclusive growth, based on the principle that all social groups should participate in economic development and share the benefits.
4. As a country that has pursued a successful inclusive growth policy, Korea has established the foundations for stable economic growth. Also, it has reduced income inequality and poverty by developing its human resources, securing a national competitive edge and gaining a strong foothold in the global market.

5. In response to the new set of social and economic challenges related to technological advancement and globalization, Korea continues to promote inclusive growth, by reforming its social structure and expanding social security nets.
6. The parties acknowledged that governance, regional integration, regional trade, education and social security are critical components of inclusive growth, thus agreeing to continue cooperation, by building upon the policy recommendations emanating from the joint research projects between Korea and the African Development Bank.
7. On the governance front, Korea will assist African countries to lay a solid groundwork for growth by sharing relevant experience, including: developing policy measures for economic and social development; building the capacity for policy implementation; strengthening the government's role in securing and redistributing financial resources; formulating employment-friendly growth strategies to improve incomes, as well as focusing on environmentally friendly activities in rural areas through initiatives such as the Saemaul Movement.
8. In relation to trade and regional integration, Korea will further cooperate with African countries as they move towards regional integration, to improve trade and productivity, and to facilitate Africa's integration into the global economy. As well, Korea will share its experience of overcoming challenges of regional integration.
9. Korea will support African countries in the field of education. This will enable Africa to enhance its transition rates from primary to tertiary education; coordinating education policy with economic policy; and improving technical and vocational training systems. The experience will be applied to African countries to suit country-specific situations.
10. Regarding social security, the parties acknowledged that Korea has successfully created a successful loop between economic development and a productive social security system. Korea agreed to share its knowledge and to secure financial resources to assist Africa by sharing lessons on health insurance, public pensions, employee insurance and industrial accident compensation insurance schemes.
11. The parties committed to actively share each other's experiences through the Knowledge Sharing Program (KSP) and to step up economic cooperation, to pave the way for inclusive growth.
12. Aiming to achieve a strong, sustainable and inclusive growth, the parties specifically declared their intention to expand cooperation on the following six key areas.

## **II. Key Areas of Cooperation**

### **II-1. *Infrastructure Development***

13. Korea welcomed the collective efforts of Africa's regional organizations, including the African Development Bank, in devising a comprehensive roadmap and action plan for infrastructure development at the continental level.
14. Recognizing social infrastructure as a prerequisite to growth, Korea agreed to collaborate with the African Development Bank to develop social infrastructure in African countries and facilitate further cooperation on this front.
15. In order to advance healthcare and medical infrastructure, Korea will support the construction of medical schools, provide medical equipment, dispatch medical teams and promote the training of experts to combat tuberculosis.
16. To facilitate regional integration in Africa, Korea committed to assisting African countries in their efforts by supporting a wide range of related projects, including the construction of new roads; research on information technology-based transportation systems and providing training opportunities to African officials in the transport sector.

### **II-2. *Information Communication Technology***

17. As an information-technology powerhouse, Korea will share its experience and know-how in the field of information technology, with the aim of assisting African countries to progress towards inclusive growth, by narrowing the information gap and reducing the costs of information-sharing. As well, Korea will promote cultural exchange.
18. African countries not only need physical facilities in the information technology sector, but also the human resources to manage such facilities and develop new ones. Korea will thus offer training programs and consulting services for African government officials and technicians in the field of information technology.
19. Furthermore, Korea will assist African countries to establish national registration systems, since efficient social security systems serve as essential components for economic growth, by improving the systematic management of tax revenues.

### **II-3. *Human Resource Development for Economic Growth***

20. Korea has invested heavily in quality education and the development of its human resources,

particularly at the tertiary level. In this regard, Korea will assist Africa in formulating appropriate educational policy measures and devising strategies for reforms on the education system.

21. Specifically, Korea is determined to support African universities to expand campus facilities and to share its expertise in the area of vocational training, that targets specific job skills, relevant to the job market, which will in turn lead to poverty reduction.
22. Reaffirming the importance of developing leaders who can establish and implement inclusive growth policy measures in Africa, the parties agreed to increase the scope of the Next African Leader Program, with the objective of cultivating next-generation leaders in the field of ICT, through a scholarship program.
23. The parties remained committed to supporting the Education Research Award program, designed to support outstanding educational researchers and research institutions in Africa, as a pre-requisite to improving African countries' research capacities and strengthening the networks between related institutions.

#### **II-4. *Agriculture Development***

24. Considering that African economies are largely dependant on agriculture, along with the fact that a rise in agricultural productivity contributed greatly to economic development in Korea, the parties agreed on the need to enhance agricultural productivity of African countries through agricultural modernization, research on agricultural technologies and development of human resources.
25. Korea will contribute to the rural development of African countries by tailoring the Saemaul Movement, a rural development model of Korea, to suit country-specific circumstances and sharing the virtues of diligence, self-help and cooperation.
26. In addition, Korea agreed to help facilitate agricultural modernization in African countries, by modernizing small farms by developing agricultural infrastructure.

#### **II-5. *Green Growth Partnership***

27. Being particularly vulnerable to climate change, African countries ought to build a stronger response capacity against environmental problems such as floods, droughts and global warming. At the same time, the countries need to pursue environment-friendly growth in order to prevent further climate change and environmental pollution.

28. The shift towards green growth should be undertaken with a long-term, national perspective. Therefore, Korea welcomes the African Development Bank focus on green growth as a key pillar of its Long-Term Strategy, along with inclusive growth.
29. To enhance African countries' understanding of green growth, Korea will support ongoing efforts by the African Development Bank to assist African countries to develop related policy measures and improve capacity.
30. Korea also committed to help African countries build response capacity against climate change by supporting related efforts such as the development of health indicators and construction of environment-friendly landfill sites.

#### **II-6. *Knowledge Sharing on Development Experience***

31. Recognizing the importance of strengthening knowledge-sharing programs across a variety of sectors, the parties agreed on the need to pursue effective cooperation in major fields, including infrastructure, information technology, human resources, agriculture and green growth.
32. Korea committed to share the experience of economic development as well as assist African countries in applying the experience to suit country-specific circumstances. To translate such efforts into specific development and economic cooperation projects, the parties will maintain close cooperation.
33. Korea will undertake training programs on a variety of fields in urban and industrial development, through which government officials from African countries can enhance their capacity to lead economic transformation.
34. Korea also agreed to provide training programs and seminars in sectors in which it has a comparative advantage, including private sector development, in key industries such as electronic government and infrastructure. Furthermore, Korea will cooperate with African countries so that its experience is incorporated into the policy measures of African countries to fit country-specific situations.

### **III. The Way Forward**

The representatives from African countries expressed gratitude to the people and Government of Korea for hosting the 2012 KOAFEC Ministerial Conference. Building on the outcomes, the parties declared to take the cooperative relationship to new heights.

Korea reiterated its commitment to establish itself as a true partner of Africa by exploring further ways to promote inclusive growth in African countries and translating them into action.

The parties adopted the KOAFEC Action Plan 2013/14 and pledged to work in close partnership to implement the projects specified therein.