

TICAD V JICA Side Event

Comprehensive Corridor Development Approach

Mr. Eiji Inui

Director of African Department, JICA

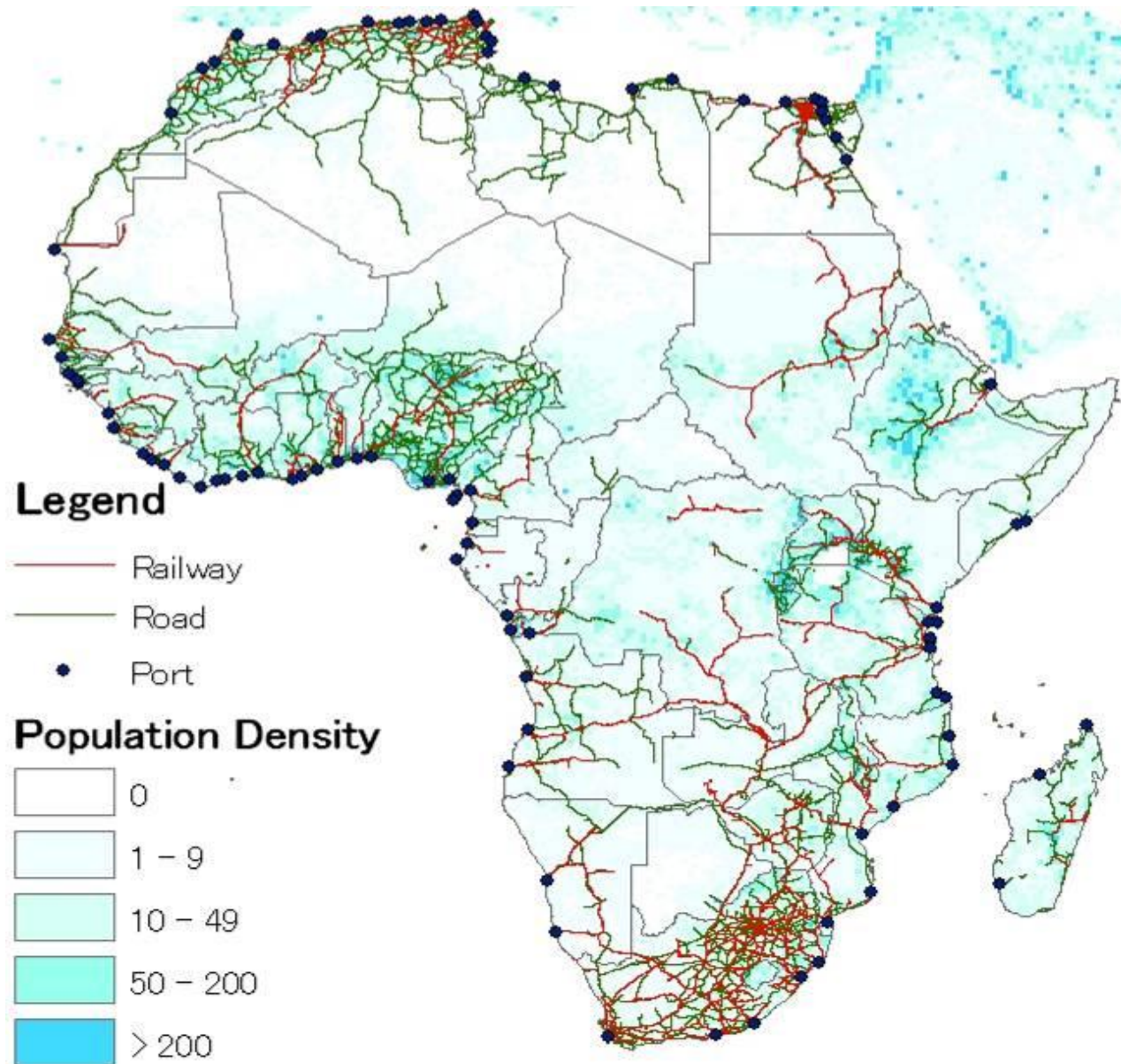
Africa ~Continent 広大で多様な大陸



20% of World Land Area

(80 Times Larger than Japan)

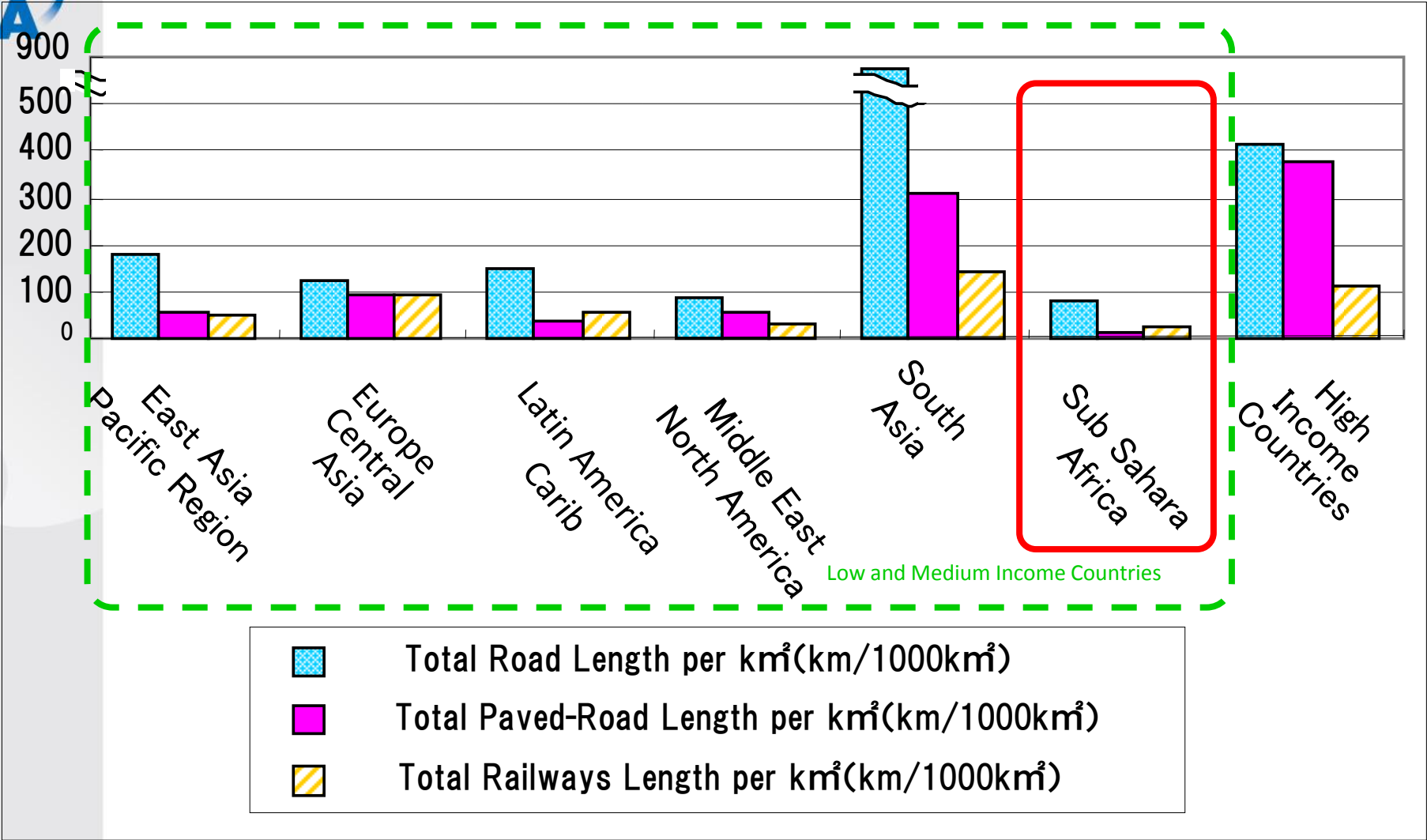
Current CBTI Development



High population density
in landlocked area

Limited number of Road
Networks and Ports.

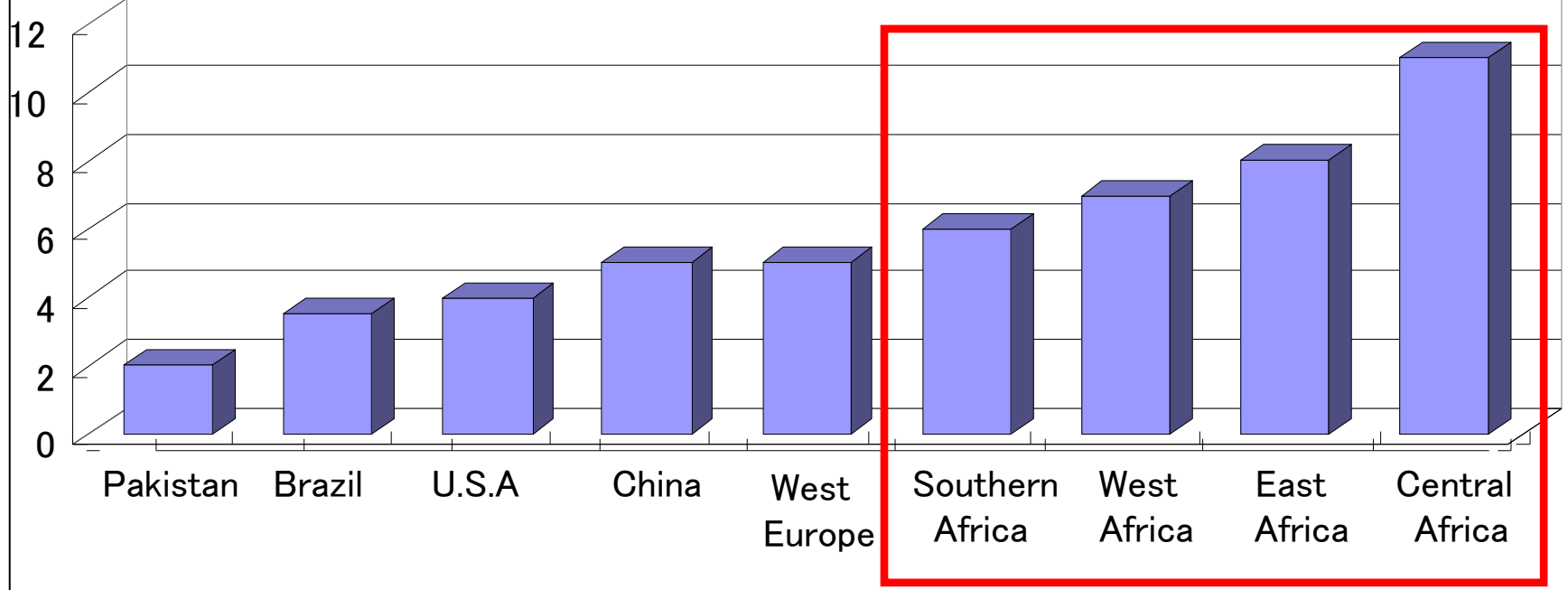
Current Road and Railways Length in Sub-Sahara Africa



Global Cost Comparison of Km / Ton

Average Transportation Cost

\$US (km/tonnage)

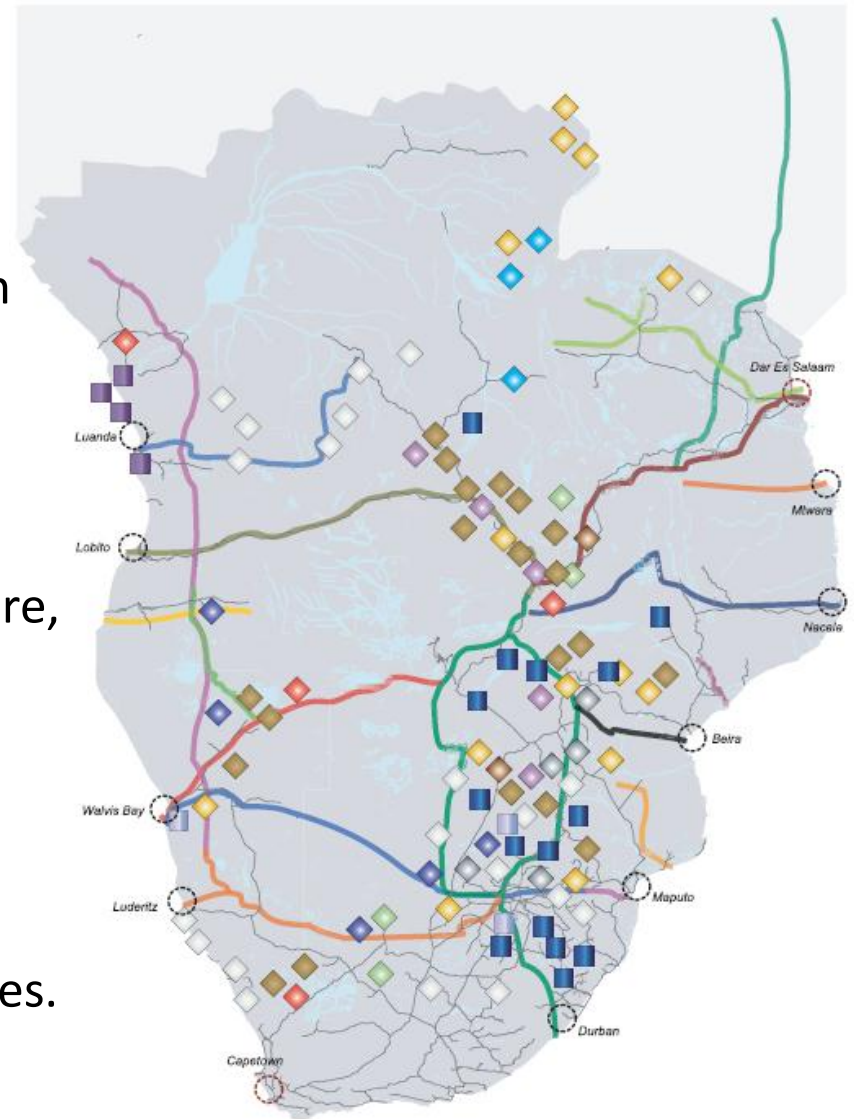


Source: Consultants (prepared from World Bank data)

Scenario A) Growth Led by Mineral Resources Development

Key Strategies

- Revitalize mineral resource development in Angola, Botswana, the DRC, and Zambia.
- Develop basic infrastructure (electric power, transport) and induce investment in manufacturing (both processing and assembly) as well as other sectors (agriculture, forestry and tourism).
- Specifically, promote public and private investment in energy development projects (e.g., thermal power, hydroelectric power, gas) in order to secure electric power supplies.



Scenario B) Growth through Intra-Regional Trade

Key Strategies

- Utilize the regional trade potential of South Africa. Through local procurement of raw materials, agricultural products and services of South African companies, increase productivity and income of neighboring countries.
- Promote regional trade centered around trade with South Africa leading to increased productivity and income through local procurement (e.g., of raw materials including agricultural products, services) by South African companies.
- Expand intra-regional trade that does not go through South Africa, including trade in agricultural products and livestock, intermediate goods, and consumer goods.

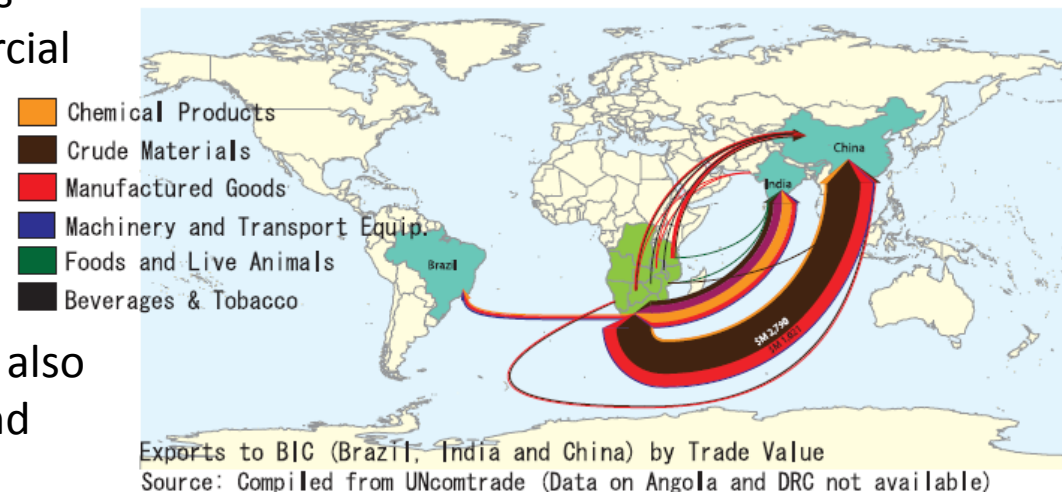
Global interest in agricultural resources in Southern Africa can be seen from the map above showing overseas land investments for agricultural production.

Scenario C) Diversification and Advancement of the Industrial Structure through Global Trade

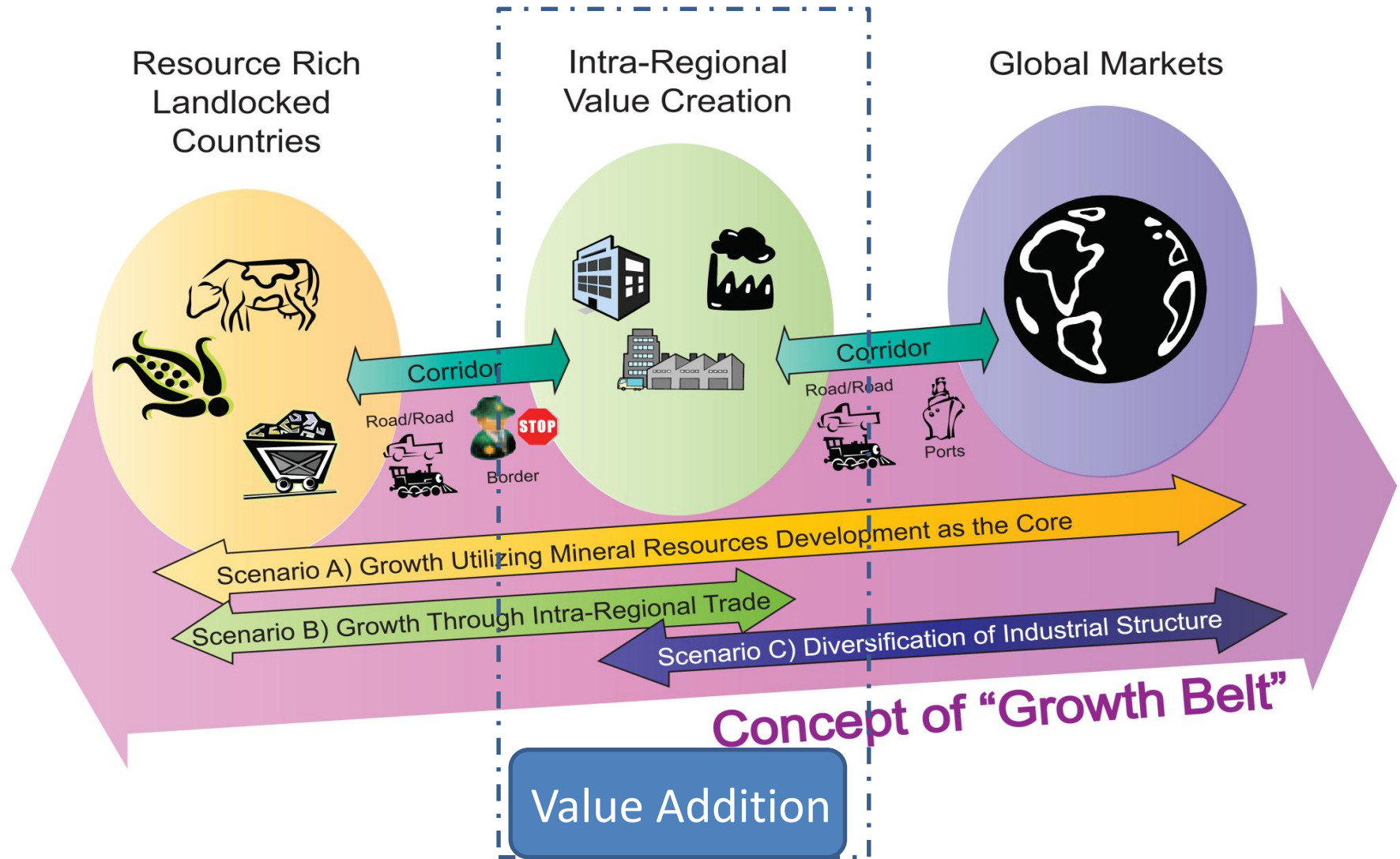
Key Strategies

- Streamline institutions to facilitate trade and infrastructure and diversifying and sophisticating the industrial structure by utilizing export process zones, free-trade zones, industrial parks, and large-scale farms which exercise prominent cooperation with local industries.
- Diversify inter-regional exports, specifically promote exports to emerging markets such as China, India and Brazil.
- While utilizing foreign direct investments (FDIs) from countries with strong commercial ties, such as China and India, conduct necessary improvements for the business environment.

Trade with Brazil, India and China are not only limited to raw natural resources, but also include intermediary commodities and end consumer products, suggesting the diversification of trade.



Comprehensive Corridor Development Approach



Components of Comprehensive Corridor Development

Legal framework

- Bilateral agreement
- Legislation
- RECs' legal framework
- Investment Law
- FTAs, Customs Union
- PPP Law

Infrastructure

- Road
- Ports
- OSBPs
- Power Generation
- Power Pool
- Economic Preferential Zones (EPZ)
- Mass Rapid Transit System
- Factories

Human Resource Development

- Capacity Development of Custom officers, Custom Agents.
- Capacity Development of Road Development Agencies

Economic and social development of corridor surrounding area

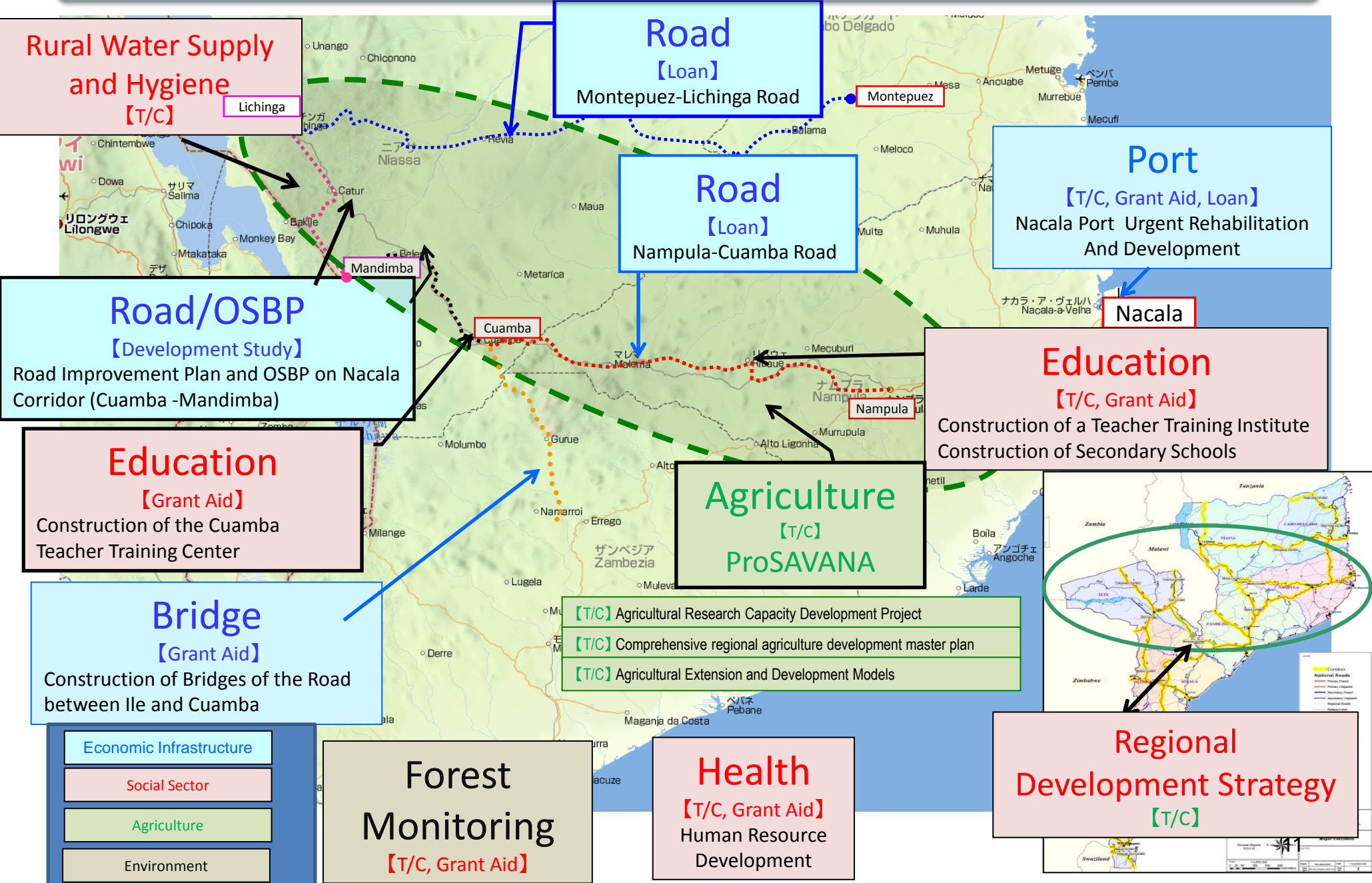
- Market-Oriented Agriculture
- Social Sector Development (Education, Health, Safe water, etc.)



In partnership with different partners (especially RECs and development partners)



Comprehensive Corridor Development in Nacala, Mozambique



JICA's VISION
*“Inclusive and Dynamic
Development”*



Thank you / merci / gracias

<http://www.jica.go.jp/>