To the Readers

For more than 60 years, Japan’s ODA (official development assistance) has steadily maintained a philosophy on development: For any country, its ultimate goal in development must be the country’s economic take-off, and, that, in turn, must be supported by sound development of the private sector. Thus, one of the operational principles of Japan’s ODA has been to promote the activities of the private sector in its partner country, and especially in such a way that it can forge a WIN-WIN relationship with the private sector of Japan.

In line with this principle, JICA has been putting a lot of resources on two areas of activities. The first is a range of activities that will broadly contribute to improving the business environment of Africa. And the second area has to do with such activities that can directly encourage the activities of the private sector of Japan in Africa. The idea behind such emphasis – especially in recent years – is that Japanese firms, big and small, have the potential to generate business activities in Africa that are conducive for the continent’s inclusive, resilient and sustainable development, with their advanced technologies, work ethics, environmental considerations and strong emphasis on the capacity development of their employees.

Take a moment to leaf through this booklet, and you will have an overview of JICA’s activities for Africa’s private sector development, and particularly those intended to encourage Japanese private sector activities in Africa.

Japan International Cooperation Agency (JICA)
JICA’s activities for private sector-led economic growth in Africa

Comprehensive Approaches for Africa’s Economic Growth

- Human resource development
- Business environment development
- Infrastructure development

Policy support to promote trade, investment, and industrial development

- Policy advisory on investment promotion
  JICA has provided a number of policy advisors for those governments that wish to develop the capacity of their staff, develop investment promotion policies, and to promote investment and trade relations with the Japanese private sector.

Business environment development

- Facilitation of logistics and trade through One Stop Border Posts (See the figure on p.3 for the location of OSBPns.)
  JICA has been active in facilitating transport logistics and trade. Its flagship approach has been the promotion of One Stop Border Posts (OSBP), proven instrumental in shortening border crossing times. Its achievements were enabled by the combination of development of legal systems, facilities and equipment, and human resources.
- Enhanced Private Sector Assistance for Africa (EPSA)
  EPSA is an initiative jointly announced by the Japanese government and the African Development Bank. At the AU Headquarters in 2014, Japan’s Prime Minister Shinzo Abe pledged two billion dollars in ODA loans to EPSA over five years. Such ODA loans are aimed at improving the investment environment, strengthening the financial sector, improving socioeconomic infrastructure, supporting small and medium-size enterprises (SMEs), and facilitating trade and direct investment.
- Investment promotion in Africa through assistance to Japanese private sector (See p.4-11 for details.)
  In recent years, JICA has intensified its support for Japanese private companies in investing and doing business in Africa through provision of financial assistance at various stages of project implementation. Such as supporting the Japanese companies to conduct information gathering and feasibility studies through JICA’s Proposal-Based Programs with the Private Sector. Under its Private-Sector Partnership Volunteer Program, JICA sends employees of Japanese private companies to Africa in order to provide them with the opportunity to learn local business practices, assess market conditions, and gain global skills.

Infrastructure development

- Formulating strategic master plans (M/Ps) on economic corridor development, geothermal development, regional power network, etc. (See the figure on p.3 for the 10 strategic M/Ps.)
  JICA has been supporting Africa in developing 10 strategic M/Ps for urban planning, transportation networks, and infrastructure development to support medium- to long-term development policies at national and regional levels. JICA also supports infrastructure development designed to improve the business environment, such as, ensuring stable supply of electric power, alleviating traffic jams, and improving logistics.
- Supporting TICAD Human Resource Development Centers for business and industry
  Nurturing capable and employable human resources is of great importance in view of the expected huge influx of youth into the labor market in Africa. Centering on the concept of Kaizen, JICA has been active in implementing projects that lead to employable human resource development, including those based at universities and vocational training institutes.
- African Business Education for Youth “ABE Initiative” (See p.9-10 for details.)
  This program is to provide 1,000 young people from Africa with opportunities to obtain a master’s degree at Japanese universities and to participate in internships at Japanese companies. The idea is to develop capacities of African youth who support Japanese companies in doing business in Africa and become the bridge between Africa and Japan.

Transportation Infrastructure for Regional Integration

- Economic Corridor Development and Priority Corridors in 5 Areas
- Development of Strategic Master Plans in 10 Areas
  - Transport and Comprehensive Corridor Development
  - The Northern Corridor in East Africa
  - The Central Corridor in East Africa
  - The Nacala Corridor in Southern Africa
  - West Africa Growth Ring
  - Infrastructure development plans in Algeria, Morocco, and Tunisia
  - Energy
  - Geothermal development in the Rift Valley in East Africa
  - Regional power network in Southern Africa
  - Natural Gas
  - Natural Gas Value Chain in Northern Mozambique
  - Gas Utilization around the Mtwara Port Region in Tanzania (As of February 2016)

OSBP (One Stop Border Post) Provision of support for 14 locations

- Njombe (Tanzania-Uganda border)
- Morogoro (Tanzania-Uganda border)
- Moleka (Mozambique-Rwanda border)
- Chiromo (Zimbabwe-Zambia border)
- Kasese (Uganda-Tanzania border)
- Kazungula (Zambia-Botswana border)
- Kamamba (Zambia-South Africa border)
- Gatweka / Katweka (Kenya-Uganda border)
- Nsumbule (Zambia-Tanzania border)
- Malabo (Gabon-Cameroon border)
- Sokhna (Senegal-Gambia border)
- Chirundu (Zimbabwe-Zambia border)
- Komana (DRC-Kongo border)
- Goma (Rwanda-DRC border)
- Maputo (Mozambique-South Africa border)
- Botswana (Botswana-DRC border)
- cabo Delgado (Mozambique-South Africa border)

“This promoting private sector-led growth in Africa” was one of the priorities highlighted at the previous TICAD conference held in Yokohama in 2013. Three years have passed since then, and today, the need for such private sector-led growth is even greater, and especially for one that is driven by the broad-based development, service, and agro-related industry sectors.

To that end, JICA has been working together with its partners in providing comprehensive support for the development of the private sector in Africa. JICA’s support can broadly be categorized into four domains as illustrated below.
Promoting Japanese business activities in Africa for inclusive and sustainable development

Private sector activities can generally be considered conducive to society’s development. However, some business activities are more conducive to development than others. Like the ones that can provide appropriate technology to the market, are non-explorative, are environmentally-friendly, are active in job creation, and are effective in capacity development of the employees. Thus, the idea of JICA is to encourage such private sector companies who are capable of doing such development-oriented business in Africa. There are, indeed, a number of firms who can play significant roles with their advanced and/or appropriate technologies, yet have not had a chance to realize the potential that Africa has to offer them.

JICA will strengthen partnerships with Japanese companies that have such advanced and/or appropriate technologies and work with them to address the challenges Africa is facing. The idea is to make the relationship among African countries, Japanese companies, and ODA a win-win-win relationship.

Menu of JICA’s Partnership with the Japanese Private Sector

JICA offers an extensive assistance menu for Japanese companies wishing to expand their business operations in Africa. The idea is to take advantage of the strengths of Japanese companies to solve some of the development challenges that African countries are facing.

For Japanese companies interested in African market:

- **Small and Medium-Sized Enterprise Partnership Promotion Survey**
  - For SMEs only.
  - Maximum cost and duration for each project: 8.5 Million yen, one year

- **Feasibility Survey for the Private Sector for Utilizing Japanese Technologies in ODA Project**
  - Maximum cost and duration for each project: 30 to 50 Million yen (if the survey requires some machinery to be brought from Japan), one year

- **Preparatory Survey for BOP Business Promotion**
  - Maximum cost and duration for each project: 50 Million yen, three years

For Japanese companies having specific products or technologies they want to promote in Africa:

- **Verification Survey with the Private Sector for Disseminating Japanese Technologies**
  - Maximum cost and duration for each project: 100 Million yen, one to three years

- **Collaboration Program with the Private Sector for Disseminating Japanese Technology**
  - Maximum cost and duration for each project: 70 Million yen, two years

For Japanese companies wishing to have competent staff and partners for their African business:

- **Private-Sector Partnership Volunteer**
- **ABE Initiative**
Activities of Japanese companies in collaboration with their African partners

Ajinomoto Co., Inc. based in Tokyo, Japan

Working with the Ministry of Health in Ghana

(BOP Business Promotion)

Development challenge

The local staple meal, a traditional porridge of fermented corn, is insufficient in energy, proteins, and micronutrients, causing a major problem of infant malnutrition. One of the particularly serious problems is growth retardation (short stature, low weight) resulting from under-nutrition during the weaning period of 6 to 24 months after birth.

The company’s technology and proposal

This project takes advantage of the company’s expertise and technologies in food and amino acids to develop food products that can contribute to nutrition improvement for infants, launch their local production, and create a business model for delivering the products to the people living in poverty.

Expected outputs

- Improvement in growth retardation of children, most notably low weight and stunting, in the target area, as well as contribution to a better life of the people living in poverty.
- Agricultural promotion, capacity development of local companies, and job creation through local production that uses locally grown soybeans and other ingredients.

Nitto Construction Inc., based in Hokkaido, Japan

Working with the Ministry of Works in Nigeria

(Verification Survey)

Development challenge

Although over 90% of domestic transport depends on road transport, most roads are in bad condition with 30% of paved roads and 70% of unpaved roads under poor maintenance. This highlights the need for proper road maintenance.

The company’s technology and proposal

The company’s nondestructive test for assessing the compressive strength of a concrete structure, known as Concrete Tester and Surveyor (CTS), measures and analyzes the time waveform of the striking force that is generated when a concrete structure is hit by a hammer. It is capable of both simple diagnosis of surface degradation and of high-precision measurement of compressive strength. This project works with engineers at the Ministry of Works to inspect roads and bridges in Ibadan using CTS, draws up maintenance plans based on the inspection results, and organizes seminars for local civil engineers on how to better maintain roads and bridges.

Expected outputs

It is expected that engineers at the Ministry of Works will improve their skills in road and bridge inspection using CTS, develop their capacity to draw up maintenance plans, and actually conduct more appropriate and systematic maintenance of roads and bridges.

Saraya Co., Inc. based in Osaka, Japan

Working with the Ministry of Health in Uganda

(BOP Business Promotion/Verification Survey)

Development challenge

Under-five mortality is caused by infectious diseases in many cases, and this is the reason why infection control measures are important and why it is urgent to improve health service delivery. Unsuitable medical equipment, inadequate water supply infrastructure, and poor hand hygiene in some areas have resulted in many reported cases of death associated with hospital infection.

The company’s technology and proposal

- By local production and distribution of affordable alcohol hand disinfectants which is effective for various viruses and germs, contribute to reduce the case of hospital infection.
- By working hand in hand with Japan Overseas Cooperation Volunteers (JOVCO) who is working on SS (Sart, Ser, Shighe Typhoid, Salmonella), and by introducing the system of hand hygiene instructors, promote the spread of hand disinfectants.
- By implementing experimental project to introduce fully automatic machines for cleaning and disinfecting medical devices at pilot hospitals to prevent hospital infection.

Expected outputs

The idea is to help to reduce under-five mortality and improve maternal health through proper hand hygiene as well as the cleaning and disinfection of medical devices.

Wago Co., Inc. based in Chiba, Japan

Working with Jomo Kenyatta University of Agriculture and Technology in Kenya

(Feasibility Survey/Verification Survey)

Development challenge

In Kenya, the agriculture sector accounts for 30% of GDP and 70% at the working age population. A major problem with this sector is the inadequate income of local horticultural farmers because their crops are unstable in quality and supply and earn low prices due to the lack of efforts to add value.

The company’s technology and proposal

In order to cultivate high-value-added agricultural crops that better meet market needs, this project introduces a few concepts— including ensuring quality control through the establishment of traceability with simple soil analysis and production history recording, and increasing added value by disseminating protected cultivation and product development—to local horticultural farmers in Kenya, so that they can become more self-sufficient.

Expected outputs

It is expected that the product development process for high-value-added fruits and vegetables applicable to the local horticulture sector, as well as expertise in managing the protected cultivation of such fruits and vegetables, will be presented to and shared among local officials and horticultural farmers’ groups.

As an aspect from a group firm of the company involving cultivation management.

A workshop with a local farmers’ group.
Tottori Resource Recycling Inc., based in Tottori, Japan

Working with the Regional Office of Agricultural Development of Souss-Massa (ORMVASM) in Morocco (Verification Survey)

**Development challenge**

Due to the decline of the groundwater level caused by persistent water shortage, the escalating agricultural water cost and the risk of degradation of water resources are critical challenges. Though drip irrigation is being disseminated, further water-saving technology is still needed.

**The company’s technology and proposal**

This technology aims to improve the water retention capacity of the soil and dramatically decrease the required irrigation water by using porous materials for soil amendment made from glass waste. The company verifies the water-saving effects and environmental safety of this technology, and disseminate it.

**Expected outputs**

It is expected to reduce agricultural water costs which are escalating due to the persistent water shortage in Morocco, at the same time, to increase income from improved yields and to create sustainable agriculture for areas suffered from low precipitation caused by climate changes.

---

CFP Corporation, based in Hiroshima, Japan

Working with the City of Cape Town’s Utility Services Directorate in South Africa (Verification Survey)

**Development challenge**

Economic development has not only made people’s lives more affluent but also increased waste dumping. Discarded waste plastic, in particular, does not decompose naturally but remains in the environment for generations, constituting a cause of environmental degradation. The recycling rate of waste plastic is as low as 10%, underlining the urgent need for action.

**The company’s technology and proposal**

This company has a waste plastic-to-oil production system that can efficiently convert dirty waste plastics into oil without sorting them into PE, PP, and PS. In conventional technology, discarded oil begins to solidify at around 0 degrees Celsius; however, this particular technology, for which the company has already applied for a patent, can produce cracker oil that does not solidify even below 0 degree Celsius. The oil thus produced can be used for fuel for diesel power generators and boilers.

**Expected outputs**

It is expected that this project will help to reduce the amount of waste plastics that are directly dumped at waste disposal sites, improve their recycling rate, and reduce the consumption of fuel oil.

---

**African Business Education Initiative for Youth (ABE Initiative)**

ABE initiative invites young people from Africa to Japan and provides opportunities to study and obtain master’s degree at Japanese universities and to participate in internship at Japanese companies. The objective is to develop industrial human resources in Africa and develop capacities as “Navigators” who will support Japanese companies to expand business in Africa.

**Objective**

- African human resource development for business and industry which is a key element for economic growth in Africa
- Strengthen network between Japanese private sector and African human resource who can be a “Navigator” for Japanese companies to conduct business in Africa

<table>
<thead>
<tr>
<th>3 months</th>
<th>7 months</th>
<th>2 weeks</th>
<th>1.5 - 2.5 years</th>
<th>2 weeks - half year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Process</td>
<td>Selection Process</td>
<td>Orientation Program</td>
<td>Master’s degree Course</td>
<td>Summer Internship</td>
</tr>
<tr>
<td>Leave Japan</td>
<td>Internship</td>
<td>Company Visit</td>
<td>Japan</td>
<td>African Countries</td>
</tr>
</tbody>
</table>

**Approach**

- Combination of master’s course and internship under collaboration of Japanese universities and companies
- Development of African human resource who have practical knowledge & skills as well as deep understanding on Japanese society and working culture

**54 African Countries**

- Private sector personnel
- Government official
- Academic personnel

**Opportunities of master’s course and internship**

Support Japanese companies to start business in Africa

---

**University**

- Over 70 Universities and 148 courses

**Company**

- Entry by 330 companies
Why not become a “Navigator” for African business?

Participants in AIE initiative program are expected to learn Japanese-style business and work as “Navigators” who assist Japanese companies in doing business in Africa. Japanese companies have shown strong interest in the program and, a growing number of them make use of this program in one way or another. There are some companies which use this program as a means of capacity development of their employees at their local subsidiaries in Africa, develop human network to find potential business partners, or gather local business information to expand their business in Africa.

Kenya: Private sector personnel
+ Shirai Eco Center Co., Ltd.

Mr. Mulumbi KAHURI worked as a local manager for the field survey that Shirai Eco Center Co., Ltd. conducted in Kenya under AIE’s Partnership with the Japanese Private Sector program. He participated in this program with the recommendation by the company. He entered the Kobe Institute of Computing Graduate School of Information Technology in Japan to develop systems that will help to solve the problems his country faces.

After returning home, he is expected to work as a project advisor at the Shirai Eco Center’s local subsidiary in Kenya, which has high expectations for him.

Mozambique: Government official
+ Mitsui & Co., Ltd.

As an official at Mozambique’s oil company, PETROMOC, Ms. ASSUMAINE Agipa Amelia Paula participated in this program with the recommendation by Mitsui & Co., Ltd., which engages in natural resources development in Mozambique. At University of Science and Technology, she involved herself in the activity of the network of Japanese and African students, actively interacting with others.

After returning home, she will resign her post at PETROMOC, showing her enthusiasm for supporting projects of Mitsui & Co., Ltd., and other Japanese companies in Mozambique.

Cote d’Ivoire: Private sector personnel
+ Oriental Consultants Co., Ltd.

Ms. DAAP Karatun worked with Oriental Consultants Co., Ltd. in a development study that JICA conducted in Cote d’Ivoire. She participated in this program with the recommendation by the company, which highly evaluated her performance in the project. In addition to an internship at the company, she participated in a summer internship at a trading company in Japan. Before returning home, she will work as an intern at Oriental Consultants Co., Ltd., which has high expectations for her as a “work-ready” staff member. She is also looking forward to working with Japanese companies that do business in Africa.

Rwanda: Private sector personnel
+ Reivolt Communications Inc.

Mr. MUTABAZI CHARLES B. participated in this program with the recommendation by Reivolt Communications Inc. He participated in both summer and after-graduation internship at the company, in a joint project of software development between Japan and Rwanda. He engaged in project management activities in Japan, gathering practical skills.

After returning home, he plans to work for the local subsidiary at Reivolt Communications Inc. He is expected to work on the recent project, helping to expand the retail distribution network for their products in Rwanda.

<Activities of Kobe City in Rwanda>

Rwanda prioritizes promotion of ICT as one of the important national policy, and is implementing various initiatives such as ICT infrastructure development and human resource development. JICA dispatched an expert on ICT policy to Rwanda in order to support the government’s initiative, and is assisting in its industrial development using ICT, such as supporting the establishment of business incubation hub of ICT developers and so on.

Kobe City signed a partnership declaration with the City of Kigali to promote business, academic and cultural collaboration between the two cities, with the special focus on ICT.

In addition, Kobe Institute of Computing, Graduate School of Information Technology (KGIS), in collaboration with Kobe City, accepts a lot of participants of AIE initiative from Rwanda to develop capacity of the students to use ICT knowledge to solve the social problem in Rwanda and promote business between Rwanda and its local companies in Kobe City.

Kobe City’s approach is one of the good practices where the local government takes the initiative to support industrial development of Africa with collaboration with their local private sector and universities.

Private-Sector Partnership Volunteer Program

This program is designed for Japanese companies to develop capacities of their employees to gain global skills. Under the program, JICA sends employees of the participating companies to Africa as Japan Overseas Cooperation Volunteer (JOCV), so that they will develop human network, learn local business practices, and gather business-related information through volunteer activities there.

Ghana + Kaiho Sangyo Co., Ltd., based in Ishikawa, Japan
Kaiho Sangyo Co., Ltd. sends its employee, Mr. Mika Yamaguchi, to Ghana under the Private-Sector Partnership Volunteer Program.

- Lines of business: Automotive repair, export and sale of used auto parts.
- Objective to use this program: To train a talent who can contribute to the world.
- Activities of Mr. Mika Yamaguchi in Ghana:
  As a JOCV in community development, Ms. Yamaguchi is now working at the Ministry of Food and Agriculture’s office in Ashanti Region, Ghana. She is in charge of making and selling jam using starchy and other fruits that are usually discarded in large quantities. She is helping to create job opportunities for women and run a business designed to improve the diet of Ghanaians whose physical condition tends to deteriorate due to vitamin deficiencies.

Mr. Yamaguchi working in the community.