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Keynote Speech

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Africa Kaizen Annual Conference 2021

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Time: 12:00-12:15 (GMT/UTC+3)

Hybrid Event (TBC)

Your Excellency Prof. Kitilya A. Mkumbo - Min of Trade and Industry for United Republic of Tanzania

Representative of the AUC Commission of Trade and Industry

Distinguished representatives of the various Institutions and partners in attendance today

Delegates, Ladies and Gentlemen

First, I would like to express my sincere appreciation to the government of the United Republic of Tanzania, JICA and all Africa Kaizen stakeholders for the kind participation in this hybrid edition of the Sixth Africa Kaizen Annual Conference and Award. :

The central theme chosen for this conference “**Opportunities to Accelerate Industrialization and Trade in Africa: Streamlining Kaizen/Quality and Productivity Improvement (QPI) with Digital Technologies, Start-ups, SME Development, and HomeGrown Economic Activities in Africa**” reflects the imperative to address the negative effects of COVID-19 and to realise the opportunities presented by the Kaizen approach.

Although the overall impact of the pandemic on Africa’s long-term socioeconomic situation remains uncertain, the continent is projected to recover from its worst economic recession to date, in 2021. According to the Africa Economic Outlook (AEO) 2021, Africa’s GDP is expected to expand by 3.4%, rebounding from a contraction of 3.4% in 2020. The report further estimates a GDP growth of 3.6% in 2022. The Kaizen/ **Quality and Productivity Improvement** approach plays a catalytic role in transforming and enhancing key elements of competitiveness that are critical for the continent to attain its Industrialisation aspirations as envisaged under Agenda 2063. Allow me to cite some examples given the lessons we have learnt from both the impacts of COVID-19 as well as the emerging opportunities, as we seek to realise the benefits of economic integration within the African Continental Free Trade Area:

Kaizen is critical to realisation of Manufacturing Value added (MVA). The approach helps to reduce the cost of production by minimizing waste along supply chains; improve the quality of products by reducing defects; enhance the skills of workers, create decent workplaces; strengthen the capability of firms and build their global competitiveness, thereby contributing to increased local investment and improvement of projects for Foreign Direct Investments.

In addition, Kaizen, helps to modernize African industries and improve quality along the value chain of production. By improving productivity of inputs and outputs, Kaizen fosters competitive industries, increases business dividends and worker benefits and expands investment by generating additional revenue and profits with the same level of capital thereby creating additional job opportunities.

With respect to the operationalisation of the AfCFTA, there is a need to focus on the strengthening and alignment of regional and local/national value chains through explicit improvement in Quality and Productivity for improved competitiveness. This requirement, places Kaizen at the heart of this repositioning drive, considering that MSMEs' account for 80% of Africa's economic activities and an estimated 50% of its GDP. Productivity and quality improvement for MSMEs, from whom we have experienced the largest uptake with Kaizen, therefore plays a crucial role in facilitating the realisation of the benefits of AfCFTA and intra Africa trade.

Digital transformation is necessary for all businesses that wish to remain competitive and is increasingly a game changer in Africa's industrialisation and trading drive. It is an essential component of the tools that enable productivity improvement. The Kaizen approach can clarify objectives and map out the value of the digital transformation required for MSMEs to remain competitive. Kaizen is therefore, increasingly positioned to provide a guiding framework for digital transformation within which MSMEs operate and deliver value to their customers.

Ladies and Gentlemen,

I would like to provide a few highlights of the Kaizen activities undertaken in the last eight months of 2021. Despite the extraordinary pressure of COVID-19, encouraging results were achieved. From the reports of six countries, a total of 831 Managers, 4089 workers, 720 MSMEs, and 100 large Enterprises benefited from the training provided over different digital platforms. In addition, the tangible and intangible achievements demonstrated by those competing for the 2021 Africa Kaizen Awards last week, illustrate the opportunities offered by Kaizen to realize the GDP growth aspirations that we seek as a continent .

The uptake of Kaizen by countries, an in particular by MSMEs as demonstrated by the improved activity implementation, is a true demonstration of the growing traction of the African Kaizen initiative and it's contribution to productivity improvement in Africa .

To further scale-up these benefits at national and continental levels, policy makers are advised to consider Kaizen/quality and productivity improvement activities while planning for industrial development in general and manufacturing in particular. Drawing down and incorporating these activities into the national development plans and effectively implementing them, is a practical and realistic way of promoting quality and productivity. Policy makers' also need to focus on strengthening institutions to support the promotion of Kaizen / quality and productivity activities.

Ladies and Gentlemen,

This Africa Kaizen Annual Conference is an important platform for us to deliberate on several issues to improve the performance of Africa Kaizen Initiative activities. It is believed that the topics selected for this conference will contribute to continental, regional and national industrial policy frameworks in at least in two ways:

1. By highlighting the ways in which Kaizen knowledge, systems and improvement toolkits could enhance the efforts by countries towards the development of home grown solutions and economic reforms. This could facilitate the uptake and customization of successful lessons and best practices on quality and productivity improvement from elsewhere, within the contexts of Africa.
2. By discussing key dimensions for Africa's industrial development including: the role of Quality and Productivity Improvement for regional connectivity and trade promotion; accelerating Manufacturing and Trade within the digital era; standardization and conformity of products/services in Africa; strengthening competitiveness of enterprises in Africa; and the role of stakeholders such as government, financial institutions, regulatory bodies and the private sector .

The Africa Kaizen Awards 2021 has also proven to be a useful platform to promote Kaizen/Quality and Productivity Improvement activities. It has helped to motivate countries implementing Kaizen projects, I as well as those who are members of the Pan-African Productivity Association, to learn from the experiences of the awardees and improve on their future activities. I wish to take this opportunity to congratulate the AKA 2021 awardees for their excellence. I would also like to acknowledge the dedication and hard work over the last year of the different working group members and country teams who, under the very able facilitation of Mr Getahun Tadesse Mekonen, have significantly furthered Africa's journey towards Quality and Productivity improvement.

I hope the outputs of the presentations and discussion will help all of us and our countries to build upon the wisdom and strength to move forward and to effectively implement our strategies, particularly in the manufacturing sector.

Finally, I would like to reiterate my appreciation to the United Republic of Tanzania for hosting Africa Kaizen Annual Conference and Awards for 2021, JICA and its team for assisting us in our endeavours, all those involved in the processes of formulation and implementation of AKI-AP 2021-2025, and the officials and team members who made this conference to happen.

I want to reiterate the commitment of AUDA-NEPAD towards supporting and promoting your efforts.

I wish you successful deliberations.

I. A. Mayaki

Chief Executive Officer

African Union Development Agency -NEPAD