



JAPAN-AFRICA
Public-Private Economic Forum

Summary of the Thematic Sessions of the Second Japan-Africa Public-Private Economic Forum

7th-8th December 2021

The Thematic Sessions of the 2nd Japan-Africa Public-Private Economic Forum (JAfEF) were held online from December 7th to 8th, 2021. Lively discussions took place and 1570 participants in total were in attendance.

Results of the 2nd JAfEF Thematic Sessions

From lively discussions in the thematic sessions, various results - lessons learned, challenges to tackle - were obtained:

(1) Theme 1: Innovation

The participants recognized that new business players, including start-up companies which play an important role in solving social challenges in Africa, have been steadily expanding their businesses in areas such as healthcare, agriculture, education, finance, infrastructure, the broader green economy and last mile delivery in spite of the COVID-19 pandemic. Especially, the areas of healthcare and agriculture were highlighted among them, based on the results of the support program for African local entrepreneurs. The participants shared the view that promoting digital transformation (DX) plays a key role in innovation which could apply to such new business areas in Africa. In addition, it was noted that new examples of business opportunities have been created within new business areas with the support of governments and/or international organizations.

(2) Theme 2: Integration and Industrialization

In the session on integration, the latest trends in regional and national economic integration in Africa were shared and discussed, with various insights obtained from the experiences of users effectively utilizing existing African free trade zones. Some

African participants shared their expectations to the African Continental Free Trade Area (AfCFTA), which came into effect this year, and underlined the importance of AfCFTA that accelerates industrialization and expansion of business in Africa.

In the session on industrialization, both Japanese and African participants mutually recognized that Japan would be a beneficial business partner for Africa. Japanese companies' activities contributing to industrialization in Africa, including the case of cooperation with a third country, were introduced.

Kenyan participants explained Kenya's progress and efforts to improve the business environment and assured their further efforts in order to attract Japan's investment to Kenya. A Japanese participant stressed that one of the effective paths to increase Japan's investment is to continue with trade revitalization. Regarding investment treaties, Japan and African countries renewed their understanding of the importance and effectiveness of high quality treaties in order to improve the business environment which would in turn attract investments to Africa.

Japanese and African participants also recognized that human resource development (HRD) plays a key role for industrialization, and public sector and international organization representatives introduced their programs for supporting HRD and technology/skill transfer. Both Japanese and African participants affirmed that industrial HRD assisted by Japan has been contributing to the advancement of Africa's industry. African participants expressed their expectation for further cooperation with Japan, and Japan expressed its willingness to work further with Africa for industrial HRD. The Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS) and Kenya Association of Manufacturers (KAM) confirmed further cooperation in the field of HRD in the manufacturing industry.

(3) Theme 3: Green & Digital Infrastructure

In the session on electric power, electric companies from Japan and Africa introduced their business of electrification in non-electrified areas in African countries, and both Japan and African participants confirmed that off-grid and mini-grid systems are effective in Africa, and recognized that HRD for electric power engineers is among the common challenges. Regarding the dissemination of clean energy in Africa, case studies of expanding clean energy by Japanese companies were presented, and a Japanese participant introduced its basic idea on energy transition that there is no single pathway to achieve green growth, rather, there are diverse paths applicable to each country, with each energy situation considered. Both sides recognized that such

a concept of realistic energy transition would be appropriate and effective including in Africa.

In the session on digital infrastructure, Japan's concrete contributions, based on the abundant experiences and expertise that Japan has developed and acquired, to the Africa's country-/region-wide efforts to establish effective digital infrastructure systems were presented with several typical examples. In addition, Japanese companies' prospects for further cooperation with African countries were shared.

(4) Theme 4: Accelerating Finance Solutions

Financing needs for infrastructure development and industrial diversification and advances in Africa are huge. Further increasing the use of private finance is indispensable for solving social challenges, economic and social recovery from the COVID-19 and realization of sustainable society including “green and digital infrastructure” in Africa. In the 1st JAfEF, as a key policy, the following initiatives were expressed: increasing inflow of private finance by mitigating risks and strengthening cooperation among financial institution including MDBs, ECAs and EXIM Banks of the third countries to expand finance capacity. In this session, progress of the initiatives was confirmed. First, in addition with “LEAD Initiative” by Nippon Export and Investment Insurance (NEXI), Japanese commercial banks introduced effective initiatives such as engaging institutional investors using a fund scheme and supporting customers' transition through providing services using sustainable finance framework. It is important to accelerate financing solutions that correspond to various needs using new finance schemes. And these should be introduced according to best practices regarding strengthening cooperation with regional financial institutions familiar with markets in Africa, such as the African Trade Insurance Agency (ATI), The Trade & Development Bank (TDB) and the African Export-Import Bank (Afreximbank), which joined as a panellist and/or concluded an MOU or Partnership with NEXI in this forum. It is expected that applying best practices to other financial institutions will further deepen cooperation among financial institutions already connected.

Memorandum of Understanding (MOU) Ceremony

The 15 MOUs listed in the appendix were introduced and showed that, even during the current critical situation of the COVID-19 pandemic, business relations between Japan and Africa are steadily developing. The signers were from various public and

private sectors. The fields that these MOUs address are also diverse, including finance, HRD, energy and healthcare.

(End)

[Appendix]

MoU Ceremony of the 2nd Japan-Africa Public-Private Economic Forum on December 8th, 2021

The List of MoU/Partnerships (Total 15 MoU/Partnerships)

No	Country	Japan Side	Counterparts	Title	Outline
1	Kenya	The Office of Healthcare Policy, the Cabinet Secretariat of Japan and the Ministry of Health, Labour and Welfare of Japan	Ministry of Health of the Republic of Kenya	MoC between the Office of Healthcare Policy, the Cabinet Secretariat of Japan and the Ministry of Health, Labour and Welfare of Japan, and the Ministry of Health of the Republic of Kenya in the fields of Healthcare and Wellness	The MoC is intended to promote Japan-Kenya bilateral cooperation in the fields of healthcare and wellness under Japan's Africa Health and Wellbeing Initiative (AfHWIN).
2	Kenya	The Association for Overseas Technical Cooperation and Sustainable Partnerships	Kenya Association of Manufacturers (KAM)	MoU on Program on Human Resource Development for Industry 4.0 in Kenya	MoU between KAM and AOTS, confirming continuous cooperation on the human resource development program for advancing the manufacturing industry in Kenya
3	Multi	Nippon Export and Investment Insurance (NEXI)	Eastern and Southern African Trade and Development Bank (TDB)	MoU between TDB and NEXI	The memorandum of understanding on promoting economic development of Africa, business opportunities between member countries and Japanese companies, as well as decarbonization and high-quality infrastructure development in Africa. By strengthening their relationship, they aim to promote trade and investment in Africa by Japanese companies.
4	Multi	Nippon Export and Investment Insurance (NEXI)	The African Export-Import Bank (Afreximbank)	Partnership between Afrexim and NEXI	Afreximbank and NEXI have partnered to promote trade and economic development of Africa, including facilitation of business opportunities between Afreximbank member countries and Japanese companies, as well as to drive decarbonization and high-quality infrastructure development in Africa. By strengthening their relationship, they aim to promote trade and trade-related investment in Africa by Japanese companies.
5	Kenya	Toyota Tsusho Corporation	Kenya Investment Authority	MoU for development of Isiolo Solar Project, Kenya	Through development, construction and operation of 52MW solar PV power station at Isiolo, Kenya, Toyota Tsusho Corporation will contribute to further expansion of renewable energy in Kenya and promotion of carbon neutrality. This is joint investment project with TotalEnergies (France) and Greenmillenia Energy (Kenya).
6	Kenya	Toyota Tsusho Corporation	Associated Vehicle Assemblers Limited (AVA)	MoU for joint initiatives on Vehicle KD Project	Joint initiatives on Vehicle KD Project in Kenya
7	Kenya	Mitsui & Co., Ltd.	Kenya Tea Development Agency (KTDA)	MoU of Joint FS for the development of the Mini Hydro PowerStation Project	Mitsui and KTDA have agreed to commence jointly study for development of micro hydropower generation plants for captive use by several KTDA tea factories utilizing high efficiency micro hydropower generation systems developed by DK Power.

8	Ethiopia	Mitsui & Co., Ltd. IHI Corporation	Ethiopia Airlines Group	MoU of the Bio Jet Fuel Project	Joint study for bio jet fuel project in Ethiopia utilizing IHI technology
9	Kenya	Mitsui & Co., Ltd.	Aqua Power	MoU of Joint FS for the development of gas, geothermal, biomass, hydroelectric power plant projects, green hydrogen, green ammonia and micro hydropower projects in Eastern and Southern Africa.	Mitsui and Aqua Power have agreed to commence study on joint development of gas, geothermal, biomass, hydroelectric power plants and green hydrogen, green ammonia and micro hydropower projects in Eastern and Southern Africa.
10	Multi	株式会社Double Feather Partners	African Private Equity and Venture Capital Association	MoU between DFP and AVCA to facilitate partnerships between Japanese and African private and public sectors, as well as supporting the startup ecosystem in Africa.	This MoU represents a partnership whereas DFP and AVCA will each bring its extensive network to help enhance investment activities on African continent, and to support each other's activities including conferences and events.
11	Multi	株式会社Double Feather Partners	Africa Health Business	MoU between DFP and AHB facilitate partnerships between Japanese and African healthcare sectors, as well as supporting the startup ecosystem in Africa.	This MoU represents a collaborative effort from DFP and AHB to address and tackle the issues in African healthcare ecosystem, with mutual understanding of the importance of Public-Private collaboration.
12	Multi	株式会社Double Feather Partners	Mitsui O.S.K. Lines, Ltd.	MoU between DFP and MOL to enhance innovation in African agriculture and logistics sector, and support implementation of Japanese agriculture machinery into African market	This MoU represents a long-term partnership between DFP and MOL, with common objective to bring innovative solutions to agriculture sector in Africa.
13	Multi	株式会社Double Feather Partners	AfricArena SAS	MoU between DFP and AfricArena to partner to bridge the innovation ecosystems between Japan and Africa to increase investments by Japanese corporates to African start-ups.	This MoU represents a collaborative effort between DFP and AfricArena to bridge the innovation ecosystems between Japan and Africa to increase deal flows and investments by Japanese corporates to African market, and to support each other's activities including conferences and events.
14	Nigeria	Marubeni Corporation	Stallion Nigeria Limited	MoU of Comprehensive Collaboration between Marubeni and Stallion	MoU of Comprehensive Collaboration between Marubeni and Stallion
15	Nigeria	Marubeni Corporation	Brass Fertilizer & Petrochemical Company Limited	MoU for Offtake Methanol	MoU for Offtake Methanol